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In the Supreme Court of the United States

OCTOBER TERM, 1953

No. 403

ANNETTE S. LUNN,
Petitioner,

vs.

F. W. WOOLWORTH COMPANY,
Respondent.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit and Brief in Support Thereof.

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No. .....

ANNETTE S. LUNN,
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F. W. WOOLWORTH COMPANY,
Respondent.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit and Brief in Support Thereof.

To the Honorable, the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Annette S. Lunn files this petition for a writ of certiorari to the United States Court of Appeals for the ~~Seventh~~ Ninth Circuit:

First, to review a judgment reversing a judgment of the United States District Court for the Northern District of

California, Southern Division, on a jury verdict in favor of petitioner in an action for patent infringement, and

Second, to review a judgment dismissing the appeal of petitioner from a final decision of the said United States District Court refusing to enter judgment on the verdict for increased damages above the amount found by the verdict as the actual damages sustained.

OPINIONS BELOW

There is no opinion of the United States District Court for the Northern District of California, Southern Division.

The opinion of the United States Court of Appeals for the Ninth Circuit (R. 368-373) is reported in ....F.(2d) ...., 98 U.S.P.Q. 184.

JURISDICTION

The judgment of the Court of Appeals for the Ninth Circuit was entered on June 29, 1953 (R. 374-375). A petition for rehearing was filed on July 29, 1953, within the 30-day period provided by the Rules of the Court of Appeals for the Ninth Circuit. The petition for rehearing was denied on August 5, 1953 (R. 375).

Jurisdiction of this Court is invoked under U. S. Code, Title 28, Section 1254(1), the writ having been applied for within 90 days, as provided by U. S. Code, Title 28, Section 2101(c).

STATEMENT OF THE CASE

This case is an action for infringement of United States Letters Patent No. 1,974,872 granted to the petitioner on September 25, 1934, for certain inventions in a bag and method of attaching closure thereto (Plaintiff's Exhibit 1, R. 292-294).

On June 20, 1950, the petitioner brought the present action under U. S. Code, Title 35, former Section 67, charging the respondent, F. W. Woolworth Co., for a long time past, with infringing those Letters Patent by making, using or selling bags embodying the patented inventions* (R. 3). Petitioner demanded judgment for general damages which shall be determined in a trial by jury and which shall be due compensation for making, using or selling the patented inventions, but not less than a reasonable royalty therefor, and prayed that she be given judgment on the verdict of the jury for increased damages not exceeding three times the amount of such verdict (R. 3-4).

On October 8, 1951, petitioner filed a supplemental complaint bringing damages down to September 25, 1951 (R. 31-32), the date of expiration of her patent.

Following a 3-day trial (R. 77-230), the defendant moved the District Court to direct the jury to find in favor of the defendant (R. 231-233). The Trial Court was "satisfied that the matter should go to the jury" and accordingly, denied the motion (R. 233). The Trial Court instructed the jury on the issues of validity and infringement as well as damages (R. 234-252).

The jury returned a verdict in favor of petitioner, and awarded damages in the amount of $10,938.60 (R. 32-33). The Trial Court thanked the jury and said "I believe that the verdict is a fair one, and I would have joined with you had I been the thirteenth juror. I think you arrived at a fair and equitable result." (R. 33).

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*The patent contains 5 claims, each of which is an independent invention. *Leeds & Catlin v. Victor Talking Mach. Co.* (1909) 213 U. S. 301, 319, 53 L.Ed. 805, 813. By an answer to an interrogatory, the charge was limited to claim 4 (R. 11).

After the verdict was announced, respondent re-stated its motion for a directed verdict and made a motion for judgment notwithstanding the verdict and to set aside the verdict as entered, which motion was denied (R. 34). On October 12, 1951, the Trial Court entered judgment upon the verdict in favor of petitioner for $10,938.60, together with costs (R. 34-35).

On October 17, 1951, the petitioner moved the Court in the exercise of its discretion for an allowance of reasonable attorney's fees and for increased damages in a sum above the verdict of $10,938.60, not exceeding 3 times said amount (R. 56).

Respondent, on October 18, 1951, served a motion for reconsideration of denial of its motion to set aside the verdict and for judgment in accordance with its motion for a directed verdict, urging invalidity of claim 4 of the Lunn patent as "a matter of law" because the device claimed therein is "lacking in invention" (R. 36-37). Other grounds and a motion for a new trial were also presented, but the opinion of the Court of Appeals did not touch upon these other matters.

On November 2, 1951, the Trial Court denied both the petitioner's and the respondent's motions (R. 71). Both parties appealed (R. 71-73).

On June 29, 1953, the Court of Appeals for the Ninth Circuit handed down its opinion re-examining the evidence (R. 371), finding that the evidence conclusively showed that claim 4 of plaintiff's patent was invalid for lack of novelty or lack of both novelty and invention, and holding that defendant's motion for a directed verdict should have been granted (R. 373, 374). The Court of Appeals also dismissed

the petitioner's appeal on the ground that the order of November 2, 1951, was not a final decision within the meaning of 28 U.S.C.A. § 1291 and was not appealable (R. 371, 374).

Petitioner asks this Court to grant certiorari to review the propriety of the Court of Appeals for the Ninth Circuit in reversing a judgment in the face of substantial evidence to support the verdict of the jury. A preliminary consideration of the evidence supporting the jury verdict therefore becomes material to a consideration of the questions presented.

The evidence before the jury includes a determination by the Commissioner of Patents that Annette S. Lunn complied "with the various requirements of law in such cases made and provided" and that "upon due examination made, the said claimant is adjudged to be justly entitled to a patent under the law" (R. 79-80).

The record discloses that the Patent Office did in fact make the due examination recited in the patent.

For example, the defendant cites some 15 prior art patents (R. 10), which are alleged to disclose the invention of the petitioner and all material parts thereof (R. 5, paragraph 4). The record shows that of these 15 patents, the Patent Office considered the Maksik patent 1,842,782 (R. 151, defendant's exhibit A, R. 360-362) relied upon by the Court of Appeals (R. 373), as well as the McGuire patent, No. 1,820,282 (R. 151, defendant's exhibit A, R. 356-9) and the Baldwin patent, No. 1,693,266 (R. 151, defendant's exhibit A, R. 351-355) not considered by the Court of Appeals in its decision. The rest of the patents were not specifically cited by the Patent Office, but the record makes clear that

the art in the Patent Office is classified into hundreds of classes, and every class contains hundreds of sub-classes, and a good searcher knows where to look, and they search (R. 154); that the Patent Office Examiner is presumed to make a thorough search of the art (R. 162); and that you don't expect an Examiner to cite all of an entire class or sub-class against you (R. 163). The defendant's expert, William R. Piper, admitted that the numbers of prior art patents "don't make a great deal of difference" (R. 164).

An examination of the prior art patents, whether cited by the Patent Office or not, also makes clear that none of the prior art patents discloses the combination of the Lunn bag. For example, the respondent's expert witness was asked and he answered (R. 181):

> "Q. In other words, there is certainly no one patent here that shows all of the elements?
>
> "A. Not the entire combination, no."

In addition, the respondent's expert admitted that he would have to simulate the combination by taking different features from different patents. Mr. Piper testified that "the patents should be taken up, so far as anticipation is concerned, taking parts from the different ones" (R. 174); that "the pieces of different patents should be cited to show the different features in the claim" (R. 181); and "you should rely on different references for different features" (R. 183).

The record further discloses that every element which Mrs. Lunn used to make up her new bag had been known for many years. Mrs. Lunn's bag is made up with a slide fastener, a lining member, an outer member, and stitching. Bags having inner and outer materials were known at least

as early as 1903 (see Muller patent No. 735, 560; R. 345-347). Slide fasteners are disclosed in this record at least as early as 1923 (see Sundback patent No. 1,557,382; R. 305-317). Thus for at least 10 years prior to the time in which Mrs. Lunn made her invention, all of the physical elements which she needed were freely available for anyone to use.

Since by admission, no one prior to Mrs. Lunn succeeded in assembling these old elements in the manner in which she did (R. 181), the jury might very well have drawn the inference that it was not obvious for a skilled mechanic in that art to make the Lunn combination.

Further evidence from which the jury might have inferred the presence of invention inheres in the fact that although defendant claims that the prior art discloses the alleged invention of Mrs. Lunn and all material parts thereof (R. 5); that Woolworth did not follow this prior art, but that it, on the contrary, selected the combination of the Lunn claim in making its accused bag. Defendant's expert, William R. Piper, was confronted with the accused bags (plaintiff's exhibits 11 to 25, both inclusive; R. 183-184), and was asked the following question and gave the following answer (R. 185):

> "Q. • • • Do you find any bag there which is constructed in accordance, and totally in its ensemble, in accordance with any of these prior art patents that we have been talking (about) this morning?
>
> "A. Not in their entirety."

Further corroborative evidence of the existence of invention is found in that the bag of the patent in suit enjoyed continued commercial success between the year 1932, when it was conceived, and the time when the Lunns gave up their

business. Mr. Lunn, the bread-winner of the Lunn family, was a buyer of ladies' handbags and jewelry. He became ill in the depression year of 1932 (R. 82, 83) and while confined in the hospital, was laid off his job. During this time, Mrs. Lunn conceived her invention and made up 6 bags (R. 83-84). Upon his recovery, Mr. Lunn took these bags to various San Francisco department stores, and each place that he went, he sold the bags and "buyers all raved about them" (R. 84). Mr. and Mrs. Lunn then started to manufacture the bags. They started their business in their home, and later expanded it into a shop on Union Street in San Francisco, where the Lunns had 12 sewing machines operating (R. 85). The Lunns continued their business until 1941. At that time, Mrs. Lunn lost her health, and this necessitated shutting down the business (R. 85). In 1946, Mr. and Mrs. Lunn again started to produce and sell bags on a limited scale. In 1949, they ceased operations, largely because the bags were being sold in Woolworth stores, which caused Mrs. Lunn to lose her big accounts with the better-class department stores which refused to handle items carried by Woolworth (R. 86). In the initial sales efforts, Mr. Lunn did not miss a sale in any store he called on, and the Lunns enjoyed repeat business over the years (R. 107). Although the Lunns operated only on the West Coast (R. 106), and particularly in the Bay Area, their business rapidly increased from $15,000 in gross sales for the first 7 months of operation to annual gross sales of $50,000 by 1933 (R. 107)—it being kept in mind that these were depression years of the deflated dollar and general "hard-times." By the time the present action came to trial, one company alone, the F. W. Woolworth Company, ad-

mittedly sold 218,772 of the patented bags within the relatively short 22-month period between November 29, 1949 and September 25, 1951 (R. 32).

And finally, substantial evidence that the bag of Mrs. Lunn is not found in the prior art is found in the fact that Woolworth, in its answer, pleaded that the invention of Mrs. Lunn and all material parts thereof, had been described and published in 12 separate distinct prior art patents (R. 5, 7). By stipulation, Woolworth increased the number to 15 prior art patents (R. 10). Woolworth introduced all 15 of these into evidence (R. 295-365). Yet with this multitude of art, the defendant's expert freely admitted that there was no single patent which disclosed either the Lunn bag in its entirety (R. 181), or the Woolworth bag (R. 185) which is a Chinese copy of the Lunn bag. From this, the jury might very well infer that prior efforts to solve the problem with which Mrs. Lunn was confronted had not met with success.

Not only does the record show the foregoing evidence from which the presence of both novelty and invention might very well have been inferred, but the record also discloses that reasonable men, other than the jury, might very well have determined the presence of invention from such facts. This appears from the fact that the Patent Office Examiner, who did not even have the evidence before him of commercial success and copying of the invention by those skilled in the art, concluded that the Lunn combination was entitled to the issuance of a patent. It is confirmed by the fact that the Trial Court, who saw the evidence and heard the witnesses, affirmed that he would have joined with the jury had he been the 13th juror and that he thought the jury had arrived at a fair and equitable result (R. 33).

Also material in a consideration of the question is the fact that extrinsic evidence was given to apply the descriptions of the patents to the subject matter. Although to the uninitiated it might appear that the art of sewing a bag and an understanding of the disclosures of the patents is simple, the record discloses otherwise. The defendant found it necessary to introduce the testimony of William R. Piper, who has been associated with patent problems since 1920 and has been engaged in preparing patent applications, studying them, etc. (R. 148). William R. Piper explained each of the patents in suit, not only on direct examination (R. 151-160), but also on cross-examination (R. 160-186), on re-direct examination (R. 186-188), and on re-cross examination (R. 188-189). As to many of the patents, the disclosures were so lacking in completeness that the expert witness, Mr. Piper, and petitioner's counsel, Charles E. Townsend, Jr., found it useful to refer to blackboard drawings amplifying them (R. 165-167, 170-171, 175, 179, 182). Both the jury and the Trial Court had the opportunity of examining these sketches, but respondent did not preserve them for inspection or study by the Court of Appeals.

The foregoing are believed to be the only considerations necessary or material to a determination of the right of the Court of Appeals to declare the patent invalid for want of novelty, invention, or novelty and invention. Petitioner now discusses the facts necessary or material to a consideration of the right of the Court of Appeals to dismiss petitioner's appeal without considering the merits.

The complaint, inter alia, asks for judgment on the verdict of the jury for such sum as may be fixed by the Court above the amount found by the verdict as actual damages sus-

tained, according to the circumstances of the case, not exceeding three times the amount of such verdict (R. 4, 31-32). The judgment on the verdict (R. 34, 35) makes no disposition of this prayer, either one way or the other. Petitioner thereupon moved the Trial Court in the exercise of its discretion for an allowance of reasonable attorney's fees and for increased damages in a sum above the verdict of $10,938.60, not exceeding three times said amount (R. 56). The Trial Court then, on November 2, 1951, ordered that plaintiff's motions for attorney's fees and for increased damages be, and they hereby are, denied (R. 71). This is the only order in the record disposing of plaintiff's claim for increased damages and it finally and effectively denied it.

QUESTIONS PRESENTED

1. Did not the Court of Appeals for the Ninth Circuit err in re-examining the facts tried by the jury and in holding that a defendant's motion for a directed verdict should have been granted on the grounds that the patent was invalid for lack of novelty, lack of invention, or lack of both novelty or invention

(a) where presumptive and substantial evidence both supported the presence of both novelty and invention;

(b) where, from all of the evidence, the jury might logically draw the inference that the patent required both novelty and invention;

(c) where the jury did in fact find that the patent was valid;

(d) where the defendant, in its motion for a directed verdict and for its motion for judgment notwithstanding the verdict, did not even question the absence of novelty; and

(e) where the Trial Court, who heard the witnesses and saw the demonstrative evidence which was not before the Court of Appeals, concluded that the verdict of the jury was sound?

2. Did not the Court of Appeals for the Ninth Circuit err in dismissing plaintiff's appeal from that part of the order of November 2, 1951, which denied the plaintiff's motion of October 23, 1951 for increased damages, where such order was the final and only order touching upon plaintiff's prayer in its complaint and supplemental complaint for increased damages?

REASONS RELIED ON FOR THE ALLOWANCE OF THE WRIT

The petitioner invokes the discretionary power of this Court upon any one of the following grounds, each of which is believed to be a special and important reason for granting review on writ of certiorari and each of which is specified in Rule 38, Section 5(b).

1. In finding that the evidence conclusively showed that claim 4 of the plaintiff's patent was invalid for lack of novelty, invention, or both novelty and invention, and in holding that defendant's motion for a directed verdict should have been granted (R. 373),

(a) The Court of Appeals ignored the evidence in the record supporting the presence of novelty and invention. Under such circumstances, fact re-examination otherwise than according to the rules of common law was precluded by the Seventh Amendment and the setting aside of the jury verdict deprived petitioner of her Constitutional right to trial by jury. The decision of the Court of Appeals, therefore, has decided a

Federal question in a way probably in conflict with applicable decisions of this Court and has so far departed from the accepted and usual course of judicial proceedings as to call for an exercise of this Court's power of supervision;

(b) The Court of Appeals failed to give evidentiary weight to the presumption of validity attendant the grant of the patent, and to the burden of proof which the defendant has on the issues of validity. The weight of a presumption is an important question of local law which the Court of Appeals decided in a way probably in conflict with applicable local decisions.

2. In concluding that defendant's motion for a directed verdict should have been granted for lack of novelty, lack of invention, or lack of both novelty and invention (R. 373), the Court of Appeals overlooked that defendant's motion did not specify that the patent lacked novelty. On the contrary, the motion urged lack of invention and lack of specific claiming (R. 36-37). The Court of Appeals therefore, in including lack of novelty as a basis for its decision, recited an important question of Federal law in a way probably in conflict with applicable decisions of this Court.

3. In ruling that defendant's motion for a directed verdict should have been granted, and in reversing the judgment of the District Court, the Court of Appeals announced no rules warranting its action. And there apparently is no decision of this Court warranting the entry of judgment on the question of validity contrary to a jury verdict. The right of an appellate court to so direct a verdict of invalidity is therefore an important question of Federal law which has not been, but should be, settled by this Court.

4. In dismissing the appeal of petitioner from the final decision of the Trial Court refusing to enter judgment for increased damages, the Court of Appeals incorrectly decided an important question of Federal law which has not been, but should be, settled by this Court.

ARGUMENT

"I am satisfied the matter should go to the jury."

Thus remarked the trial court in denying defendant's motion for a directed verdict (R. 233). Thereupon, the trial court gave the jury instructions as to the presumption of validity, the burden of proof, and the necessity for invention.

Upon receiving the verdict of the jury in favor of petitioner the trial court said "I believe that the verdict is a fair one, and I would have joined with you had I been the thirteenth juror" (R. 33).

The trial court and the jury both heard the witnesses and observed their demeanor.

The trial court and the jury both heard the expert's explanation of what the prior art disclosed.

The trial court and the jury both saw the illustrative detail blackboard drawings of indefinitely disclosed features of the prior art.

The jury and the trial court both gave weight to the evidence supporting the validity of the patent in suit.

In reversing the judgment of the trial court, the Court of Appeals said "the evidence conclusively showed that claim 4 of plaintiff's patent was invalid for lack of novelty, lack of invention or lack of both novelty and invention" (R. 373).

The Court of Appeals found nothing wrong with the instructions of the trial court.

The Court of Appeals did not hear the witnesses and observe their demeanor. The Court of Appeals did not hear the expert's explanation of what the prior art disclosed.

The Court of Appeals did not see the illustrative detail blackboard drawings of indefinitely disclosed features of the prior art.

The Court of Appeals ignored the evidence supporting validity of the patent in suit.

Under such circumstances, petitioner contends that the verdict of the jury was conclusive upon the Court of Appeals, and that the Court of Appeals had no power to usurp the function of the jury and to try the issues of novelty and invention de novo. The action of the Court of Appeals deprives petitioner of her Constitutional right to a jury trial. Petitioner urges this Court to grant the writ of certiorari to determine whether or not her Constitutional rights have been invaded.

This is not an ordinary patent case asking this Court to review facts. Therefore, cases such as *Layne & Bowler Corp. v. Western Well Works, Inc.* (1923) 261 U.S. 387, 67 L.Ed. 712, and *Keller v. Adams-Campbell Co. Inc. et al.* (1924) 264 U.S. 314, 68 L.Ed. 705, in which this Court refused to grant certiorari absent a conflict of decision between different Circuits Courts of Appeals involving the specific patent in suit, would not appear to to be applicable.

On the contrary, petitioner desires no retrial of any fact determinations but presents only the question of whether the Court of Appeals granted a proper common law review of the facts as found by the jury and as approved by the District Court below. In this respect, the instant case is to the Seventh Amendment what the cases of *Williams Mfg. Co. v. United Shoe Machinery Corp.* (1942) 316 U.S. 364,

86 L.Ed. 1537; *Goodyear Tire & Rubber Company Inc. v. Ray-O-Vac Company* (1944) 321 U.S. 275, 88 L. Ed. 721; and *Graver Tank & Mfg. Co. Inc. v. Linde Air Products Co.* (1949) 336 U.S. 271, 93 L. Ed. 672, were to Rule 52 of the Federal Rules of Civil Procedure pertaining to the findings of a trial court.

Indeed, in the case at bar, there is even more reason for granting certiorari since the power of the Court of Appeals to review the verdict of a jury is far less inclusive than the power of a reviewing court to review findings of fact made by a trial court. This appears from such cases as *Thomson Spot Welder Co. v. Ford Motor Co.* (1924) 265 U.S. 445, 446, 68 L.Ed. 1098, 1100, and *United States v. United States Gypsum Co.* (1948) 333 U.S. 364, 395, 92 L.Ed. 746, 766, wherein this Court pointed out that judicial review of findings of a trial court does not have the same statutory or constitutional limitations as judicial review of findings by a jury.

SUMMARY OF ARGUMENT ON MERITS OF CONTROVERSY

Petitioner, in her argument, follows the general rule that the petition for the writ of certiorari should be directed primarily to the reasons why the writ should be granted. But even giving effect to this rule, it is necessary to touch fleetingly upon the merits of the controversy. This, because petitioner must show that there was sufficient evidence to justify the submission of the case to the jury and to require the Court of Appeals to abide by the verdict rendered by the jury. The next few sections of this argument are a summary of some of the evidence affecting the merits of the controversy.

There Was Sufficient Evidence of Novelty and Invention to Justify the Submission of the Case to the Jury.

The Court of Appeals, in its opinion, found no fault with the instructions that were given to the jury, but based its decision, entirely and completely, upon its own review of the evidence. After reviewing the evidence (R. 371-373), the Court of Appeals ruled that the evidence conclusively showed that claim 4 of plaintiff's patent was invalid for lack of novelty, lack of invention, or lack of both novelty and invention (R. 373).

There Is No Evidence Supporting the View of the Court of Appeals on the Issue of Novelty.

With respect to the issue of novelty, it would appear that the opinion of the Court of Appeals is without any record support whatsoever. The question was not even properly before the Court of Appeals. The motion for a directed verdict was directed only to the issue of invention (R. 231-232), and the motion for a new trial and for reconsideration of denial of motion to set aside verdict and for judgment does not even mention the defense of lack of novelty (R. 36-37).

Further, the Court's determination that the patent was invalid for lack of novelty is directly contrary to the evidence of defendant's witness, William R. Piper. Mr. Piper conceded that no one patent here shows the entire combination of all of the elements of the Lunn bag (R. 181). That the concession of defendant's expert is in accordance with the evidence, is made clear from a consideration of the three patents upon which the Court of Appeals relied.

In considering the deficiencies of the prior art on the question of novelty, it should be done with reference to

claim 4 of the Lunn patent (R. 294), which describes the metes and bounds of the Lunn invention as follows:

"4. A bag of the character described comprising
(a) an outer material,
(b) a lining material and
(c) a slide-fastener closure member including tape members for attachment to the materials of the bag,
(d) stitching connecting said tape members to said outer and lining materials,
(e) said outer material
(1) forming side members for the bag and
(2) being connected together by stitching at the side edges thereof,
(f) said lining material
(1) forming side members for the bag and
(2) being connected together by stitching at the side edges thereof,
(g) all of the raw edges of the seams formed by said stitching being concealed between the outer material and the lining material."

An examination of the three patents relied upon by the Court of Appeals shows beyond question that each is deficient in one or more particulars of the claimed subject-matter.

The L'Enfant patent No. 1,479,591 (R. 296-301) does not disclose features (c), (d), (e)(2), (f)(2), or (g) of the Lunn claim 4.

Since L'Enfant does not have the "stitching" recited in omitted features (d), (e)(2) and (f)(2) above of the Lunn bag, it would be error to conclude that L'Enfant contains a disclosure of how to conceal "said stitching" between the

outer material and the lining material. On the contrary, the L'Enfant patent (see Fig. 4) stitches the outer material 5 to the inner lining sheet 6 by a single row of stitches. Although this procedure is sufficient to conceal the single row of stitching between the outer material and the lining material, the result is unlike the Lunn bag. The L'Enfant means of constructing a bag results in a bulky bag in which the ends of the bag must be closed by accordian pleats (see Fig. 1, R. 296) and one in which a slide fastener member could not be stitched to the mouth of the bag in such a manner as to conceal the stitching.

The Lowe patent No. 1,755,548 (R. 322-328) does not disclose features (e)(2), (f)(2) or (g) of the Lunn claim.

Even if one were to connect the ends of the lining material and the ends of the outer material together in the manner disclosed by Lowe, one would not have the 2 separate stitchings of the Lunn patent, but he would have a single stitching connecting both the outer material and the lining material with the raw edges of the seams of the lining material and the outer material sandwiched in the interior of the bag (see Figs. 3, 4, 5, 7, R. 323 and Fig. 8, R. 322). This requires the addition of a cap 27 to conceal the raw edges and creates bulkiness inside of the bag. The observer sees the binding strip 27 (Fig. 5) and the visible stitching connecting the binding strip with the ends of the bag as illustrated in Fig. 5. Thus, not only does Lowe fail to conceal the raw edges of the seams formed by said stitching between the outer material and the lining material, but also he is compelled to add an extra element, the binding strip 27, to conceal the unsightly edges.

As in the case of the L'Enfant patent, this results in a bulky and unsightly structure wholly unlike that of the Lunn patent.

Mr. Piper, on cross-examination referring to the chalk drawing, admitted that the Lowe patent was deficient in several particulars (R. 175-177). A drawing was made on the blackboard which was examined by the jury, but was not before the Court of Appeals on review (R. 175).

The Maksik patent No. 1,842,792 (R. 360-362) is the only one of the three patents cited by the Court of Appeals deemed worthy of citation by the Patent Office. The Patent Office Examiner, the jury and the trial court each considered the Maksik patent, and concluded that the Lunn patent defined invention over it. That Maksik does not deprive the Lunn claim of novelty is clear from its failure to disclose features (e)(2), (f)(2) and (g) of the Lunn claim.

With respect to the outer material, Mr. Piper, the defendant's expert, admitted that the two sides of the bags were connected by gussets (R. 180) rather than stitching. He also admitted that the Maksik patent contained no teaching that the side edges were connected together by stitching on the lining material (R. 181). Since the Maksik patent does not disclose the stitchings of Lunn, the feature that these specific stitchings are concealed between the lining member and the outer material is *ipso facto* lacking.

The Patent Office Examiner concluded that these changes spelled patentable novelty. Since the Maksik patent is just as close as, if not closer than, the other two patents to the Lunn disclosure, this determination strengthens the normal presumption of validity.

Therefore, insofar as opinion of the Court of Appeals is based upon the premise that claim 4 of the patent in suit lacks novelty, it is without record support. The next section of this petition shows that on the issue of patentable invention, there is a conflict of evidence which precluded a re-examination of the facts by the Court of Appeals.

There Is a Conflict of Evidence on the Issue of Invention

Plaintiff, of course, realizes that novelty alone is not sufficient to warrant the grant of a patent, but that in addition, there must be the element of invention. In the case at bar, conflicting inferences as to the presence or absence of invention may be drawn from the evidence.

The requirement for invention has long been a requirement of the case law and its best definition is found in U.S. Code, Title 35, Section 103, which holds that a combination is not patentable

> "if the differences between the subject-matter sought to be patented and the prior art are such that the subject-matter *as a whole* would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject-matter pertains." (Emphasis supplied.)

The question of the abilities of persons having ordinary skill in the art and the question of what would be obvious to such persons, would appear to be founded upon conflicting inferences in precisely the same manner as the determination of the degree of ordinary care of a prudent person in negligence cases or the question of intent in fraud cases. In each case, there is no exact yard-stick by which the capabilities or actions of such persons may be measured,

and the ultimate facts are determinable by a jury upon proper instructions of law.

In the case at bar, the inferences from the evidence are sufficient to enable a reasonable man to determine that the Lunn invention as a whole was not within the skill of a person having ordinary skill in the hand-bag art. This evidence warranting the finding of validity springs from many independent sources.

The first kind of evidence is the presumption of validity attendant the issuance of the patent. That the jury was entitled to give that presumption weight as evidence appears from *Corning et al. v. Burden* (1853) 15 How. (56 U.S.) 252, 14 L. Ed. 683, at pages 271, 691, respectively:

> "* * * in cases where the evidence is nicely balanced, it may have weight with a jury in making up their decision as to the plaintiff's right; * * *".

Other cases discussing the presumption of validity include *Diamond Rubber Co. of New York v. Consolidated Rubber Tire Co.* (1911) 220 U.S. 428, 55 L. Ed. 527, at pages 434, 531, respectively, and *Radio Corp. of America v. Radio Engineering Laboratories, Inc.*, (1934) 293 U.S. 1, 79 L. Ed. 163, at pages 8, 168, respectively. This sound rule of law is codified in U. S. Code, Title 35, Section 282.

A second form of evidence warranting the same conclusion is found in the fact that men skilled in the hand-bag art did not conceive Mrs. Lunn's invention for many years. Meanwhile the elements needed to make the Lunn bag had existed in that art and were freely available. Legal authorities giving due weight to such evidence on the question of invention include such cases as *Webster Loom Co. v. Elias S. Higgins* (1882) 105 U.S. (15 Otto) 580, 26 L. Ed. 1177, at

pages 591, 1181, respectively; *Expanded Metal Co. v. Eugene S. Bradford* (1909) 214 U.S. 366, 53 L. Ed. 1034, at pages 381, 1039, respectively; *Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.* (1944) 321 U.S. 275, 88 L. Ed. 721, at pages 278, 723, respectively.

The third form of evidence from which the jury might have concluded the presence of invention, is that although the prior art was freely available to Woolworth, Woolworth instead chose to market the Lunn bag. That this evidence was entitled to be given weight by the jury appears from *Diamond Rubber Co. of New York v. Consolidated Rubber Tire Co.* (1911) 220 U.S. 428, 441; 55 L. Ed. 527, 534.

A fourth form of evidence augmenting the normal presumption of validity exists in the usual commercial success of the Lunn bag for an individual enterprise. That the jury was entitled to give this commercial success weight appears from *Goodyear Tire & Rubber Co. v. Ray-O-Vac Co.* (1944) 321 U.S. 275, 88 L. Ed. 721, even though it is conceded that if this were the only evidence in support of invention, that it could be given no weight as appears in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.* (1950) 340 U.S. 147, 153, 95 L. Ed. 162, 167, rehearing denied (1951) 340 U.S. 918, 95 L. Ed. 663.

The fifth and final form of evidence is found in the fact that Woolworth had to cite 15 prior art patents to make out a seeming lack of novelty. Such a large number of prior art patents is, in and of itself, evidence either that none of them is nearly like the invention of the patentee or that prior attempts to solve the problem were unsuccessful. This appears from such cases as *Hoeltke v. C. M. Kemp Mfg.* (C.C.A. 4, 1935) 80 F.(2d) 912, 917; *Ball & Roller Bearing*

Co. v. F. C. Sanford Mfg. Co. (C.C.A. 2, 1924) 297 Fed. 163, 167; and *Ackermans v. General Motors Corp.* (C.A. 4, 1953) 202 F.(2d) 642, 645, cert. den. (1953) .... U.S. ...., 97 L. ed. 1065.

Such reasonable men as the Justices writing the decisions cited above have concluded that invention was present in a host of cases based upon facts analogous to those in the case at bar. In many of the decisions cited by plaintiff, the differences between the closest prior art and the patent in suit were smaller than in the case at bar, and the combinations could have been simulated. Further, on the specific facts of the case at bar, such reasonable men as the Patent Office Examiners, the jury and the Trial Judge have concluded the presence of patentable novelty. Therefore, it is an irrefutable conclusion that this record did contain sufficient evidence, which if believed and given the benefit of favorable inferences, would furnish sound support for the jury's verdict.

The evidence to the contrary is slight indeed when weighed against the foregoing well-established tests. The defendant introduced no testimony whatsoever as to what would or would not have been obvious to a man skilled in the hand-bag art. All of the patents which defendant introduced fall short of the Lunn combination, and if taken at face value, demonstrate that the Lunn combination was not obvious to those skilled in this art. The defendant's expert explained that the Patent Examiner makes a thorough search of the prior art in connection with the particular invention involved (R. 150), discussed the disclosures of each of the prior art patents, both on direct and on re-direct examination, and admitted that he had to cite different

parts of different patents to show the different features in the claim (R. 181). He also made a resume on how he combined the various prior art patents to simulate the Lunn combination (R. 187-188). But he failed to present any testimony as to the skill of mechanics in the handbag art.

It is quite apparent that the Court of Appeals in concluding that there was an absence of novelty or patentable invention, was swayed by the apparent simplicity of the Lunn bag.

But the Supreme Court recently in *Goodyear Tire & Rubber Co. Inc. et al. v. Ray-O-Vac Company* (1944) 321 U.S. 275, 88 L.Ed. 721, viewed a simple patent in the narrow crowded art pertaining to flashlight batteries, and on evidence similar to that introduced by Mrs. Lunn in the case at bar, found the patent valid and infringed. At page 279, 724, the Court said:

> "Viewed after the event, the means Anthony adopted seem simple and such as should have been obvious to those who worked in the field, but this is not enough to negative invention."

And in *Diamond Rubber Co. of New York v. Consolidated Rubber Tire Co.* (1911) 220 U.S. 428, 55 L. ed. 527, the Supreme Court said, pages 434, 531:

> "• • • It possesses such amount of change from the prior art as to have received the approval of the Patent Office, and is entitled to the presumption of invention which attaches to a patent. Its simplicity should not blind us as to its character. Many things, and the patent law abounds in illustrations, seem obvious after they have been done, • • •."

Therefore, there is no overwhelming evidence negating the fact of invention. If the evidence were to be weighed

either way, the sounder conclusion would be one favoring the presence of patentable invention. Even if the evidence had been equally balanced, application of U. S. Code, Title 35, Section 282, stating that "The burden of establishing invalidity of a patent shall rest on a party asserting it" should have tipped the scales in favor of plaintiff.

ARGUMENT ON REASONS FOR GRANT OF THE WRIT

In preceding sections petitioner has shown that the Court of Appeals' interpretation of the prior art that the claim lacks novelty is contrary to the record. Moreover, the Court's determination of the lack of patentable invention was either contrary to the record or was based upon a conflict of evidence, concerning which the jury was the fact-finder.

This petition next shows that the Court's re-examination of the facts tried by the jury is contrary to the Seventh Amendment to the Constitution.

Ground 1(a)

The Court of Appeals Wrongfully Deprived Petitioner of Her Right to Trial by Jury.

In reaching its decision, the Court of Appeals itself examined the prior art patents and, paying no heed to the evidence supporting the verdict of the jury, usurped the function of the jury and itself found the facts anew. This is a violation of the Seventh Amendment to the Constitution.

The Seventh Amendment to the Constitution of the United States specifically provides:

> "In Suits at common law * * * the right of trial by jury shall be preserved, and no fact tried by a jury shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law."

This provision of the Constitution positively precludes any re-examination of facts tried by a jury unless within one of the exceptions of the rules of the common law. The opinion of the Court of Appeals does not state that the examination comes within any well-recognized exception and petitioner is aware of none applicable to this case.

U. S. Code, Title 28, Section 2072, which grants this Court the power to prescribe the rules of civil procedure for District Courts, specifically provides:

> "Such rules shall not abridge, enlarge or modify any substantive right and shall preserve the right of trial by jury as at common law and as declared by the Seventh Amendment to the Constitution."

This Court gave the constitutional right to a jury trial full force and recognition in Rule 38 of the Federal Rules of Civil Procedure, which provides:

> "(a) *Right Preserved.* The right of trial by jury as declared by the Seventh Amendment to the Constitution or as given by a statute of the United States shall be preserved to the parties inviolate.

The opinion of the Court of Appeals in itself re-examining and deciding the fact of novelty and the fact of invention, does not preserve to the plaintiff the right of trial by jury inviolate as provided by Rule 38.

This Court Historically Invokes the Seventh Amendment.

The Supreme Court has jealously protected a litigant's right to a jury trial in applicable cases, and has consistently given the party who prevailed before the jury the benefit of every doubt in all cases of review. The right to a jury trial has been sacred in our heritage ever since the days of the Magna Charta.

This should be particularly true in the case at bar where the jury had the advantage of seeing the demeanor of the witnesses, and had the advantage of seeing "chalk talks" between the defendant's witness, William R. Piper, and counsel for plaintiff (R. 165, 166, 167, 170, 171, 175). These are two advantages which the Court of Appeals did not have.

The interest of this Court in the Seventh Amendment was expressed for the first time in the *Bank of Columbia v. Okely* (1819) 4 Wheat. (17 U.S.) 235, 4 L.Ed. 559. In that case, a litigant claimed that his right to a trial by jury had been violated, and although the Court ruled against him on the merits, in considering the constitutional question, it stated (4 Wheat. 240):

> "• • • The question is one of the deepest interest; and if the complaint be well founded, the claims of the citizen on the protection of this Court are peculiarly strong".

The Supreme Court, at an early date, recognized the sanctity of the right of trial by jury. In *Parsons v. Bedford et al.* (1830) 3 Pet. (28 U.S.) 433, 7 L. Ed. 732, the jury brought a verdict in favor of plaintiffs. The defendant brought a motion for a new trial which was overruled. The defendant prosecuted an appeal from the judgment entered for the amount of the verdict. At pages 446-736, respectively, the Court in an opinion by Mr. Justice Story, stated:

> "The trial by jury is justly dear to the American people. It has always been an object of deep interest and solicitude, and every encroachment upon it has been watched with great jealousy. The right to such a trial is, it is believed, incorporated into and secured in every State constitution in the Union; and it is found

in the constitution of Louisiana. One of the strongest objections originally taken against the Constitution of the United States, was the want of an express provision securing the right of trial by jury in civil cases. As soon as the Constitution was adopted, this right was secured by the seventh amendment of the Constitution proposed by Congress; and which received an assent of the people so general as to establish its importance as a fundamental guarantee of the rights and liberties of the people."

The Court went on to discuss the re-examination of facts tried by a jury, and as to this, said, pages 447-737 respectively:

"But the other clause of the amendment is still more important, and we read it as a substantial and independent clause. 'No fact tried by jury shall be otherwise re-examinable in any court of the United States than according to the rules of the common law.' This is a prohibition to the courts of the United States to re-examine any facts tried by a jury in any other manner."

Root v. Lake Shore and Michigan Southern Railway Company (1882) 15 Otto (105 U.S.) 189, 26 L.ed. 975, discusses the constitutional distinction between equity and law jurisdiction and in so doing, said, pages 206, 981 respectively:

"• • • the 7th Amendment forbids any infringement of the right of trial by jury, as fixed by the common law. And the doctrine applies in patent cases as well as others."

Later, in *Jacob v. City of New York* (1942) 315 U.S. 752, 86 L. Ed. 1166, the Court said, pages 752-1168:

"The right of jury trial in civil cases at common law is a basic and fundamental feature of our system

of federal jurisprudence which is protected by the Seventh Amendment. A right so fundamental and sacred to the citizen, whether guaranteed by the Constitution or provided by statute, should be jealously guarded by the courts."

The next section of this brief shows that the review of the Court of Appeals was in conflict to the rules of common law as announced by applicable decisions of this Court.

The Failure of the Court of Appeals to Give Effect to Evidence Supporting the Verdict Is in Conflict with Decisions of This Court.

It has been shown that record evidence supports the verdict of the jury (this brief, pages 21-26). As a result, the jury was free to discard or disbelieve any facts which were inconsistent with the conclusion of the jury. The Court of Appeals, on the contrary, discarded all facts which were consistent with the verdict and considered controlling its own view of that which it thought the evidence proved. Such review is not in accord with the Constitution, and it is directly in conflict with applicable decisions of this Court.

Bailey v. Central Vermont Railway, Inc. (1943) 319 U.S. 350, 87 L. Ed. 1444 is an example. Defendant moved for a directed verdict at the close of the evidence. The Trial Court denied the motion and the jury returned a verdict for the plaintiff. On appeal, the Supreme Court of Vermont reversed, holding that the motion for the directed verdict should have been granted because negligence was not shown. The U.S. Supreme Court, in turn, reversed the Vermont Supreme Court and reinstated the jury verdict. In speaking

of the issue of negligence, the Supreme Court stated, pages 353, 1447:

> "• • • The debatable quality of that issue, the fact that fair-minded men might reach different conclusions, emphasizes the appropriateness of leaving the question to the jury. The jury is the tribunal under our legal system to decide that type of issue. (Citations omitted). To withdraw such a question from the jury is to usurp its functions."

And in *Tennant v. Peoria & Pekin Union Railway Company* (1944) 321 U.S. 29, 88 L. Ed. 520, the Court said, pages 35-525:

> "• • • Courts are not free to reweigh the evidence and set aside the jury verdict merely because the jury could have drawn different inferences or conclusions or because judges feel that other results are more reasonable."

And in *Lavender v. Kurn* (1946) 327 U.S. 645, 90 L. Ed. 916, the Court stated, pages 653-923:

> "• • • But where, as here, there is an evidentiary basis for the jury's verdict, the jury is free to discard or disbelieve whatever facts are inconsistent with its conclusion. And the appellate court's function is exhausted when that evidentiary basis becomes apparent, it being immaterial that the court might draw a contrary inference or feel that another conclusion is more reasonable."

The only recent limitation upon these principles is that a mere speculation is not allowed to do the duty for probative facts after making due allowance for all reasonably possible inferences favoring the party whose case is attacked. This limitation is applied in *Galloway v. United*

States (1943) 319 U.S. 372, 87 L. Ed. 1458, and even it is subject to a vigorous dissent by Justices Black, Douglas and Murphy. Certainly a statutory presumption coupled with a statutory burden of proof upon the defendant cannot be stated to be a mere speculation within the ambit of such authorities as the *Galloway* case. On the contrary, it would appear that the determination of lack of novelty and lack of invention is a mere speculation for there is no direct evidence in support of either conclusion.

Petitioner therefore submits that the judgment of the Court overturning the verdict of the jury upon the fact issues of novelty and patentable invention, there being sufficient evidence to support the jury verdict, and the facts being such that reasonable men could have drawn different inferences, is in conflict with the foregoing decisions of the Supreme Court which protect a party's right to a jury verdict.

The Refusal to Treat Patent Validity as a Jury Question Is in Conflict with Decisions of This Court.

This Court, in jury cases, has consistently held that questions of validity, including those of novelty and invention, are jury questions, and are not questions of law for the reviewing court, or even the trial court, to decide.

The first case ruling on the question of novelty is that of *Battin v. Taggert* (1854) 17 How. (58 U.S.) 77, 15 L.Ed. 37. In that case, the trial court instructed the jury to find for defendant. In reversing the judgment and remanding the cause, the Supreme Court said, pages 86, 41, respectively:

> "The jury are * * * to judge of the novelty of the invention * * *."

In *Turrill et al. v. Railroad Co.* (1863) 1 Wall. (68 U.S.) 491, 17 L.Ed. 668, the plaintiff was an owner of a patent for a machine for reshaping damaged railroad rails. The defendant introduced in evidence prior art apparently quite close to the disclosure of the patent in suit, and the Trial Court directed the jury to find the patent void for want of novelty. The instruction to the jury took the entire case away from the jury. On review, the Supreme Court reversed the Trial Court and characterized the principal question as follows, pages 509, 672:

> "• • • Principal complaint against the charge is that the court decided a question of fact which belonged to the jury, and which should have been submitted to their determination under proper instructions.
>
> "Whether that complaint is well founded or not depends very much, if not entirely, upon the construction to be given to the patent. Patents for inventions are not to be treated as mere monopolies and, therefore, odious in the eyes of the law; but they are to receive a liberal construction, and under the fair application of the rule, *ut res magis valeat quam pereat,* are, if practicable, to be so interpreted as to uphold and not to destroy the right of the inventor."

The Court then discussed the prior art, and stated, pages 512, 673:

> "When viewed in that light, it is equally clear that the charge of the court was erroneous, because there was an important question of fact which should have been left to the jury, whether the machines introduced by the defendants or any of them, or any of the prior movable press-blocks, as is shown in the admission, were substantially the same as the machine of the patentee. American authorities, at least, hold that

every such question is one for the jury, and upon that ground alone we have come to the conclusion that the judgment in this case must be reversed."

Later, in *Bischoff et al. v. Wethered* (1870) 9 Wall. (76 U.S.) 812, 19 L.Ed. 829, the plaintiff brought an action against the defendant to recover damages for breach of covenant for an assignment of partial interest in a patent. The covenant was that the patent was valid and unimpeachable. The complaint alleged that the patent was null and void because anticipated by an earlier issued patent. The plaintiff asked the Court to compare the specifications of the two patents, and to instruct the jury that the patent was not valid inasmuch as the invention therein described was not novel. The trial court refused to give the instruction, and the jury found for the defendant. The Court, in its decision, held that the question was a jury question, and not a question of law for the Court.

Tucker v. Spalding (1871) 13 Wall. (80 U.S.) 453, 20 L.Ed. 515, states a controlling view on the propriety of the Court comparing a patent in suit with a prior art patent on facts opposite those in the case at bar. In that case, the defendant offered in evidence a prior art patent, and the Trial Court refused to admit the prior art patent in evidence, apparently because it was of the view that there was no similarity between the prior art patent and the patent in suit. At page 456, the Supreme Court in reversing, stated:

"This court has no more right than the court below to decide that the one patent covered the invention of the other, or that it did not; and it is obvious that extended argument here, to prove such general resemblance as would require the submission of both

patents to the jury, might prejudice the plaintiff's case on the new trial which must be granted."

In *Keyes et al. v. Grant* (1885) 118 U.S. 25, 30 L.Ed. 54, the prior art was not identical with the patent in suit but appeared to be rather close. The defendant contended that the improvement was not patentable as not requiring the exercise of invention. The issues came on for trial before the jury, the Trial Court examined the prior art and instructed the jury to return a verdict for the defendants, which was done. On appeal, this was reversed. The Court pointed out that the view of the plaintiff that the improvement was not the result of mere mechanical skill but sprang from a genuine effort of invention, was supported by the opinion of many experts skilled in the art. The Court, page 58, stated:

> "In our opinion this was a question of fact properly to be left for determination to the jury, under suitable instructions from the court upon the rules of law, which should guide them to their verdict. And there was evidence upon both sides of the issue sufficient to require that it should be weighed and considered by the jury in the determination of the question; and this implies that, if it had been submitted to the jury and the verdict had been for the plaintiffs, it would not have been the duty of the court to have set it aside as not supported by sufficient evidence. The court erred, we think, in withdrawing the case from the jury as it did by directing a verdict for the defendants."

The language in *Thomson Spot Welder Co. v. Ford Motor Company* (1924) 265 U.S. 445, 446, 68 L.Ed. 1098, 1100, confirms those views. In that case, the Court itself examined the question of validity of the patent in suit because

of a conflict in several lower court decisions. In so doing, this Court distinguished from the scope of review in a patent case tried by a jury, stating:

> "* * * the question whether an improvement requires mere mechanical skill or the exercise of the faculty of invention is one of fact; and, in an action at law for infringement, is to be left to the determination of the jury."

Petitioner has found no case in which this Court has ever approved the entry of a directed verdict on the issue of novelty or invention where there is any evidence to be weighed. The only case which has come to petitioner's attention which approaches a directed verdict on such issues is *Market St. Cable Railway Co. v. Rowley* (1895) 155 U.S. 621, 39 L.Ed. 284. The question was whether the trial court erred in refusing to instruct the jury to find a verdict for defendant on the ground that the petition was void for want of novelty. In that case, the record included only the prior art patents, and no extrinsic evidence was given or needed to explain terms of art or to apply the descriptions to the subject matter. In view of this fact, the Court stated that the question then became one of pure construction and not of evidence. This Court thereupon examined the prior art patents and concluded that the patent in suit was void for want of patentable novelty. Nevertheless, this Court did not direct the entry of judgment in favor of defendant, but on the contrary, remanded the case with directions to grant a new trial. Since, in the case at bar, the expert for defendant gave extrinsic evidence, the case at bar does not come within the solitary exception of the *Market St. Cable Railway* case.

Thus where the instructions to the jury are not improper, the Supreme Court has consistently reversed trial courts for directing verdicts in jury patent cases wherever there has been a conflict of evidence, whether the issue of fact be novelty, or invention, or any other fact requiring a comparison of the prior art patents, the patent in suit, and the infringer's device. That being the case, there could be no error in the case at bar arising from the refusal of the trial court to direct a verdict for defendant. The ruling of the Court of Appeals is in direct conflict with these Supreme Court decisions.

Questions of Novelty and Invention Are Natural Jury Questions.

The foregoing sections of this brief apply some of the reasons which this Court has indicated applicable to warrant the grant of certiorari. However, there also exists the fundamental thought that questions of novelty and invention are questions of the type which a jury is particularly qualified to decide. The question of novelty turns largely upon the question of what a patent teaches to a man skilled in the art. The question of invention turns largely upon the determination of what amount of change is obvious to a man skilled in the art. Neither of these two questions is capable of being determined with mathematical exactness and each requires for decision an analysis of the practical knowledge and the ways of men skilled in the particular art. Courts, by training, have developed the power of inductive reasoning from facts to a far greater level than the average. Hence, it is psychologically difficult for any Court to realistically place its reasoning processes on a level comparable to that of the ordinary skilled mechanic. But the jury does not suffer that handicap, the jury being comprised of a cross-

section of all of the people. Its combined thinking, therefore, more closely approaches the average human capabilities and understandings which are the direct question at issue.

This Court has long recognized the difficulty which the judicial mind has in coping with the questions of novelty and invention.

In *Krementz v. S. Cottle Company* (1893) 148 U.S. 556, 559, 37 L. Ed. 558, 559, this Court said:

> "It is not easy to draw a line that separates the ordinary skill of a mechanic, versed in his art, from the exercise of patentable invention, and the difficulty is specially great in the mechanic arts, where the successive steps in improvements are numerous, and where the changes and modifications are introduced by practical mechanics."

And in *Expanded Metal Co. v. Bradford et al.* (1909) 214 U.S. 366, 53 L.Ed. 1034, at pages 381, 1039, respectively, it is said:

> "• • • It is often difficult to determine whether a given improvement is a mere mechanical advance, or the result of the exercise of the creative faculty amounting to a meritorious invention."

More recently, Mr. Justice Frankfurter, in a partial dissenting opinion in *Marconi Wireless Co. v. U. S.* (1943) 320 U.S. 1, 60, 87 L.Ed. 1731, 1763, observed:

> "It is an old observation that the training of Anglo-American judges ill fits them to discharge the duties cast upon them by patent legislation."

In view of this long continuing recognition of the problem, the soundest solution would be that of encouraging the

determination of these fact issues by the jury. This would cast the burden of fact determination upon the jury in accordance with the Constitutional scheme.

That the jury is a fitting and proper fact-finder, appears in *Tucker v. Spalding* (1872) 13 Wall. (80 U.S.) 453, 20 L.Ed. 515. Mr. Justice Miller, speaking for the Court, used this language:

> "Whatever may be our personal opinions of the fitness of the jury as a tribunal to determine the diversity or identity in principle of two mechanical instruments, it cannot be questioned that when the plaintiff, in the exercise of the option which the law gives him, brings his suit in the law in preference to the equity side of the court, that question must be submitted to the jury, if there is so much resemblance as raises the question at all".

United Gas Public Service Company v. State of Texas (1938) 303 U.S. 123, 82 L. Ed. 702, involves the complaint that a difficult rate case was presented to a jury. In approving the trial court procedure, this Court referred to the trial by jury of other questions of fact which were complicated. As an example, this Court said, pages 140-715:

> "• • • Cases at law triable by a jury in the federal courts often involve most difficult and complex questions, as, for example, in patent cases at law presenting issues of validity and infringement."

A sound expression of the worth of the jury verdict appears in *Southern Fruit Distributors, Inc. v. Fulmer* (C.C.A. 4, 1939) 107 F.(2d) 456, 458:

> "Courts are loth to invade the province of the jury. The jurors are the sole judges of the facts and no

better method of deciding controverted facts has yet been devised in our system of jurisprudence."

The grant of certiorari in this case can assure that the Courts in the future will apply that sound doctrine originally announced in *Jones v. East Tennessee, V. & G. R. Co.* (1888) 128 U.S. 443, 445, 32 L.Ed. 478, 480, and repeated in *Tiller v. Atlantic Coast Line R. Co.* (1943) 318 U.S. 54, 68, 87 L.Ed. 610, 618:

> "We see no reason, so long as the jury system is the law of the land, and the jury is made the tribunal to decide disputed questions of fact, why it should not decide such questions as these as well as others."

The Action of the Court of Appeals Calls for an Exercise of This Court's Power of Supervision.

The re-examination of the facts and the direction to the trial court to enter judgment for the respondent is such a departure from the accepted and usual course of judicial proceedings as to call for an exercise of this Court's power of supervision as provided in Rule 38, Section 5(b) of the rules of this Court.

For the past decade, intermediate reviewing courts have endeavored to impress ever increasing erosions upon the Seventh Amendment. Since 1940, this Court has reviewed many such unconstitutional usurpations of the right to trial by jury, and in whatever form they may have occurred, this Court has reversed the intermediate appellate tribunal and has reinstated the judgment on the jury verdict.

There is appended to this brief a tabulation of 23 Supreme Court decisions decided since 1940, and in which this Court has consistently reinstated jury verdicts in every conceivable type of a jury case. This tabulation includes a criminal anti-trust case in which the plaintiff has the burden

of proving its case beyond a reasonable doubt. Also included are such cases as civil anti-trust cases, actions in deceit, personal injury actions, actions on insurance policies, and negligence actions, in which the plaintiff has the ordinary burden of proof. In each of these 23 cases, this Court has taken review and has reinstated the jury verdict. Indeed, in five of these cases involving negligence under the Federal Employers' Liability Act, this Court has entered reversals *per curiam.*

Only one circumstance warrants approval of the action of an Appellate Court in reversing a judgment entered pursuant to a jury verdict. That circumstance is that such action is appropriate only where there is no evidence warranting an inference in favor of the verdict. Examples include *Brady v. Southern Railway Company* (1943) 320 U.S. 476, 88 L. Ed. 239, and *Moore v. Chesapeake & Ohio Railway Company* (1951) 340 U.S. 573, 95 L. Ed 547. No case has been found which extends the doctrine announced by these two cases. That this Court would incline toward the view that the doctrine is one confined to narrow limits appears from the dissents of Justices Black, Douglas, Murphy, and Rutledge in the *Brady* decision, and from the dissents of Justices Black and Douglas in the *Moore* decision.

There is a far greater reason to grant certiorari in the case at bar where the burden of proof was on the defendant against whom the jury found, rather than on the petitioner, for whom the jury found.

Ground 1(b)

The Decision Is in Conflict with Controlling California Law

The foregoing sections of this petition discuss the review of jury verdicts under the common law as inter-

preted in various Federal Court decisions. However, the view is frequently taken that there is no general Federal common law, and that in looking for the rules of decision, we must look to the State courts. This view is soundly premised, and if followed, would also result in a reinstatement of the jury verdict in the case at bar.

The rule that there is no general Federal common law finds its fullest expression in *Erie Railroad Co. v. Tompkins* (1938) 304 U.S. 64, 82 L.Ed. 1188. In that case, the Court said, pages 78, 1194:

> "• • • Except in matters governed by the Federal Constitution or by Acts of Congress, the law to be applied in any case is the law of the State. And whether the law of the State shall be declared by its legislature in a statute or by its highest court in a decision is not a matter of federal concern. There is no federal general common law. Congress has no power to declare substantive rules of common law applicable in a State whether they be local in their nature or 'general', be they commercial law or a part of the law of torts. And no clause in the Constitution purports to confer such a power upon the federal courts."

The *Erie* decision was codified in U.S. Code, Title 28, Section 1652, as follows:

> "The laws of the several states, except where the Constitution or treaties of the United States or Acts of Congress otherwise require or provide, shall be regarded as rules of decision in civil action in courts of the United States, in cases where they apply."

That the doctrine of the statute and the doctrine of the Erie case would apply to directed verdicts appears from *Stoner v. New York Life Insurance Co.* (1940) 311 U.S. 464,

85 L.Ed. 284, wherein, although the case was a diversity of citizenship case, the Court did point out that the question of whether evidence was sufficient or insufficient to present a question for the jury, was a matter to be determined by the law of the State.

Further, the Federal Rules of Civil Procedure, by specific reference, incorporate the State rules of evidence into the Federal practice. Rule 43 provides:

> "(a) *Form and Admissibility.* * * * All evidence shall be admitted which is admissible under the statutes of the United States, or under the rules of evidence heretofore applied in the courts of the United States on the hearing of suits in equity, or under the rules of evidence applied in the courts of general jurisdiction of the state in which the United States court is held. In any case, the statute or rule which favors the reception of the evidence governs and the evidence shall be presented according to the most convenient method prescribed in any of the statutes or rules to which reference is herein made."

That this rule should apply to patent cases appears from *Haussknecht v. Claypool et al.* (1861) 1 Black (66 U.S.) 431, 17 L. Ed. 172, and *Wright et al. v. Bales* (1862) 2 Black (67 U.S.) 535, 17 L. Ed. 264. The cases specifically hold that the rules of evidence prescribed by the laws of the State are rules of decision for the United States courts while sitting within the limits of such State in patent infringement actions.

The California Supreme Court has also declared that the law of the forum controls rules of evidence. In *Pfingsten v. Westenhaver et al.* (1952) 39 Cal.(2d) 12, 244 P.(2d) 395, the Supreme Court of California had before it the review of

a jury trial in which the jury rendered a verdict in favor of the plaintiff. The defendant contended that the evidence was not sufficient to support the verdict. The Supreme Court, sitting in banc, said, pages 19, 339, respectively:

> "The law of the forum controls the rules of evidence, including the question of its sufficiency. • • • Applying that principle, the sufficiency of the evidence to support the verdict must be determined in accordance with the law of California."
>
> "If there is any evidence which sustains the implied finding of the jury, its determination is final. • • • 'Where different conclusions may reasonably be drawn from the evidence by different minds the Trial Court's findings are not to be disturbed on appeal.' "

In the case at bar, the Federal Constitution and the Acts of Congress do not define what is meant by "according to the principles of common law." The law of the State of California announces two rules of evidence which would result in an affirmation of the jury verdict had these principles been followed.

The first principle is that a presumption is sufficient evidence to create a conflict of fact, making the jury verdict unassailable. This principle is announced and applied in *Grantham v. Ordway* (1919) 40 Cal. App. 758, 760, 761, as follows:

> "• • • A presumption, even if disputable, will raise a conflict which is sufficient to support a finding made in accordance therewith, even though there be evidence to the contrary."

Other cases to the same effect include *Smellie v. Southern Pacific Co.* (1931) 212 Cal. 540, 549; and *Scott v. Burke* (1952) 39 Cal.(2d) 388, 394-395, 401.

The California rule announced in the foregoing cases is very similar to that applied in *Crane v. the Lessee of Morris et al.* (1832) 6 Pet. (31 U.S.) 598, 8 L.Ed. 514. In that case, the Court in an opinion by Mr. Justice Story, first announced the conclusive effect to be given to a jury evaluation of presumptive evidence. At pages 621, 522, respectively, the Court said:

> "• • • Whenever evidence is offered to the jury, which is in its nature *prima facie* proof; or presumptive proof, its character, as such, ought not to be disregarded; and no court has a right to direct the jury to disregard it, or to view it under a different aspect from that in which it is actually presented to them. Whatever just influence it may derive from that character the jury have a right to give it; and in regard to the order in which they shall consider the evidence in a cause, and the manner in which they shall weigh it, the law has submitted it to them to decide for themselves; and any interference with this right would be an invasion of their privilege to respond to matters of fact."

The second principle is that a jury verdict is unassailable where it is approved by the Trial Court. In the case at bar, it will be recalled that the Trial Court approved the verdict of the jury, and stated:

> "• • • I believe that the verdict is a fair one, and I would have joined with you had I been the 13th juror. I think you arrived at a fair and equitable result." (R. 33)

This principle of review is announced in *Packard v. Moore* (1937) 9 Cal.(2d) 571, 574:

> "• • • It is sufficient for the purpose of this appeal that the jury and the trial court evidently were of the opinion that the preponderance of the evidence upon these issues was on the side of the respondent, and their determination of the matter is final in so far as a reviewing court's power extends."

This California philosophy granting weight to the judgment of the Trial Judge is also applied in this Court. For example, in *Cole v. Ralph* (1920) 252 U.S. 286, 302, 64 L. Ed. 567, 580, this Court hesitated to disturb the conclusions of the trial court, even though the Court of Appeals felt no such compunction.

Thus it appears that if we look to the law of California for our definition of common law review, that the presumption of validity and the concurrence by the trial court in and of themselves are sufficient to warrant only an affirmance of the jury verdict. When to these facts there is added the thought that the defendant had the burden of proof on the issues and the record showing that sound evidence warrants a conclusion of validity, it would appear clear that the Circuit Court's own evaluation of the facts deprives the plaintiff of her constitutional rights to the benefit of a jury verdict.

Ground 2

Consideration of Novelty Issue Conflicts with Applicable Decisions of This Court.

In striking down petitioner's patent, the Court of Appeals found that "lack of novelty" was one of the bases upon which the trial court should have directed a verdict (R. 373). In reaching this conclusion, the Court of Appeals overlooked not only the fact that the defendant's expert conceded that no one patent showed all of the elements of the entire

combination (R. 181), but more fundamentally, it overlooked the fact that the question of lack of novelty was not properly before it.

Lack of novelty is not included as one of the grounds of the motion for the directed verdict (R. 231-232). Nor is it included as one of the grounds in the motion for reconsideration of the denial of the motion to set aside the verdict and for judgment (R. 36-37).

The decision of the Court of Appeals, therefore, in resting upon lack of novelty as one of its grounds, is directly contrary to applicable decisions of this Court, the most recent of which is *Johnson v. New York, New Haven & Hartford R. Co.* (1952) 344 U.S. 48, 97 L. Ed. * 76. In that case, the loser in the trial court had made a motion for a directed verdict but did not move for a verdict n.o.v. after the verdict. In reviewing the matter, the Court of Appeals for the Second Circuit reversed the trial court on the ground that the motion for the directed verdict should have been granted. This Court held that in the absence of a motion under Rule 50(b), the Court of Appeals was without power to enter a judgment in favor of the losing party. By analogy in the case at bar, since the motion to enter judgment n.o.v. did not include lack of novelty as a ground, the Court of Appeals was without power to rely upon such ground.

Ground 3

The Courts of Appeals Are Hopelessly in Conflict on the Effect of a Jury Verdict and the Conflict Should Be Resolved by This Court.

Since the establishment of the Courts of Appeals, and particularly at the present time, there appears to be a hopeless conflict among the several Courts of Appeals as to the effect of a jury verdict upon the fact questions of novelty and

invention in a patent infringement action. For many years, particularly in the early developmental stages of patent law, the Courts of Appeals gave jury verdicts the respect accorded to jury verdicts by the Constitution. In a few cases, this respect has continued up to the present date. However, and particularly of late, there is arising a growing tendency to disregard the jury verdict almost completely in patent infringement cases. There is no sound reason for this apparent trend, because the Seventh Amendment to the Constitution has remained unchanged since its adoption. This Court should, in the exercise of its discretion, put an end to this unauthorized drift towards the abolition of the jury system in patent infringement actions.

Examples of cases supporting the sanctity of the jury verdict on questions of novelty and invention include the following:

Singer Mfg. Co. v. Brill (C.C.A. 9, 1892) 54 Fed. 380, cert. den. (1893) 154 U.S. 517, 38 L. Ed. 1077;

Harper & Reynolds v. Wilgus (C.C.A. 9, 1893) 56 Fed. 587;

Holmes v. Truman (C.C.A. 9, 1895) 67 Fed. 542, approved on this point in *Thomson Spot Welder Co. v. Ford Motor Co.* (1924) 265 U.S. 445, 446, 68 L. Ed. 1098, 1100;

San Francisco Bridge Co. v. Keating (C.C.A. 9, 1895) 68 Fed. 351;

Willis v. Miller et al. (C.C.A. 2, 1903) 121 Fed. 985;

Heide v. Panoulias (C.C.A. 2, 1911) 188 Fed. 914, cert. den. (1911) 223 U.S. 722, 56 L. Ed. 630;

Transit Development Co. v. Cheatham Electric Switching Device Co. (C.C.A. 2, 1912) 194 Fed. 963;

Trustees of Masonic Hall etc. v. Electrical Floor Box Corp. (C.C.A. 2, 1914) 218 Fed. 642;

Cutter Laboratories Inc. v. Lyophile-Cryochem Corp. et al. (C.A. 9, 1949) 179 F.(2d) 80; and

Oxnard Canners Inc. et al. v. Bradley (C.A. 9, 1952) 194 F(2d) 655, cert. den. (1952) 343 U.S. 978, 96 L. Ed. 1370.

Examples of cases on the other hand which ignore the jury verdict on the issues of validity and direct the entry of judgment notwithstanding the verdict, include the following:

Roberts v. Bennett (C.C.A. 2, 1905) 136 Fed. 193;

Connors et al. v. Ormsby (C.C.A. 1, 1906) 148 Fed. 13;

Prepayment Car Sales Co. v. Orange County Traction Co. (C.C.A. 2, 1915) 221 Fed. 939, cert. den. (1915) 238 U.S. 626, 59 L. Ed. 1495;

Refrigeration Patents Corp. v. Stewart-Warner Corp. (C.C.A. 7, 1947) 159 F.(2d) 972, cert. den. (1947) 331 U.S. 834, 91 L. Ed. 1847, rehearing den. (1947) 332 U.S. 803, 92 L. Ed. 382; and

Packwood v. Briggs & Stratton Corp. et al. (C.A. 3, 1952) 195 F.(2d) 971, cert. den. (1952) 344 U.S. 844, 97 L. Ed. *44, rehearing den. (1952) 344 U.S. 882, 97 L. Ed. *62.

Examples of a third type of case in which the Courts of Appeals have permitted the trial courts to ignore the jury verdict on questions of validity and have approved judgments notwithstanding the verdict, include:

McIlvaine Patent Corp. v. Walgreen Co. (C.C.A. 7, 1943) 138 F.(2d) 177;

Ryan Distributing Corp. v. Caley (C.C.A. 3, 1945) 147 F.(2d) 138; cert. den. (1945) 325 U.S. 859, 89 L. Ed. 1979; and

Himes v. Chadwick (C.A. 9, 1952) 199 F.(2d) 100.

In each of the cases in which the Courts of Appeals have either directed the entry of judgment n.o.v. or have approved such entry by the trial court, the Courts of Appeals assumed a power far greater than that which the Supreme Court itself adopted during the period when it took direct review of the trial court judgments (See this brief, pages 32-37).

None of these conflicts can be reconciled. The conflict in the decisions of the several Courts of Appeals, some occurring within the same Circuit, illustrates that confusion exists on this question. The action of the Court of Appeals in the case at bar is clearly in conflict with the *Willis, Heide, Transit* and *Trustees* decisions on the Second Circuit Court of Appeals on this same matter. It is also clearly in conflict with the *Singer, Harper, Holmes, San Francisco, Cutter* and *Oxnard* decisions of the Ninth Circuit Court of Appeals on this same matter.

Ever since the Circuit Courts of Appeals were established and certiorari made review to this Court a matter of discretion, patent litigants have asked this Court to grant certiorari to define the rights of a Circuit Court of Appeals with respect to the issues here presented. Compared to the number of jury cases, the petitions are numerous. They demonstrate that the question is one of real public interest. This Court has not spoken on the power of the Court of Appeals on review of jury determination of validity.

Petitioner submits that the conflict can be clarified only by the grant of certiorari in this or some similar case. Justice may be served by the grant in this case.

Ground 4

The Court of Appeals Should Have Accepted Jurisdiction of the Increased Damages Question.

As a subordinate question for the consideration of this Court, petitioner urges that the Court of Appeals should have accepted jurisdiction to review the issue of increased damages on the merits. The question of jurisdiction is readily resolved without any consideration of the merits of the case.

Both the complaint and the supplemental complaint request increased damages (R. 4, 31-32). After the verdict of the jury and the entry of judgment thereon, plaintiff brought a motion for such increased damages (R. 56). On November 2, 1951, the District Court denied the motion (R. 71). Petitioner filed a Notice of Appeal (R. 71-72). The Court of Appeals for the Ninth Circuit held that it was without jurisdiction and dismissed the appeal (R. 371).

The jurisdiction of the Court of Appeals was premised on U. S. Code, Title 28, Section 1291, which states:

> "The courts of appeal shall have jurisdiction of appeals from all final decisions of the district courts of the United States, * * *".

One cannot soundly contend that the Court's order denying increased damages is not a final decision. This, for the obvious reason that the Court's order was the only decision of any kind appearing any place in the record touching upon petitioner's claim for increased damages.

Therefore, any limitation on petitioner's right of appeal which may lurk in the cases upon which the Court of Appeals relied may not properly be invoked to deprive petitioner of her statutory right of appeal. To apply any rule contrary to the statute is in direct conflict with the decision

of this Court in *Sibbach v. Wilson & Co.* (1941) 312 U.S. 1, 85 L. Ed. 479, in which this Court held that no Court has the ability "by rule, to extend or restrict the jurisdiction conferred by a statute" (312 U.S. 10, 85 L. Ed. 483).

CONCLUSION

In conclusion, petitioner respectfully requests this Court to grant a writ of certiorari directed to the Court of Appeals for the Ninth Circuit and to reverse the judgment of the Court of Appeals with directions to affirm the judgment of the District Court. On the merits of the controversy, the review of the Court of Appeals is in conflict with the Seventh Amendment to the Constitution; is in conflict with applicable decisions of this Court; and is in conflict with the controlling law of evidence of the State of California. Indeed, on the merits of the controversy, there is sufficient evidence in support of the jury verdict to warrant a *per curiam* reversal.

On the subordinate issue pertaining to the question of increased damages, petitioner respectfully requests this Court to grant certiorari and to reverse the judgment of the Court of Appeals with directions to consider the merits of the petitioner's claim for increased damages. On this issue, the Court of Appeals ignored the clear language of the statute.

There is no sound reason for permitting any Court of Appeals to usurp the jury function, and this principle should apply to patent cases as well as others.

Respectfully submitted,

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Tabulation of Recent Supreme Court Cases in Which an Appellate Court Reversed a Tort Judgment in Favor of Plaintiff on a Jury Verdict and in Which This Court, in Turn, Granted Certiorari and Reversed the Appellate Court.

Parties—Supreme Court	Supreme Court Citation	Supreme Court Disposition	Appellate Court Citation	Appellate Court Disposition	Form of Action
U. S. v. Socony-Vacuum	(1940) 310 U.S. 150, 84 L.Ed. 1129	Judgment of Circuit Ct. of Appeals reversed and that of District Court affirmed.	(C.C.A. 7, 1939) 105 F.(2d) 809	Judgment of District Court reversed and remanded for new trial.	Criminal anti-trust action.
Equitable v. Halsey	(1941) 312 U.S. 410, 85 L.Ed. 920	Judgment of Ct. of Appeals reversed with directions.	(C.C.A. 7, 1940) 112 F.(2d) 302	Judgment of District Court reversed with directions to grant new trial.	Action in deceit.
Berry v. U. S.	(1941) 312 U.S. 450, 85 L.Ed. 945	Judgment of Circuit Ct. of Appeals reversed and that of District Court affirmed.	(C.C.A. 2, 1940) 111 F.(2d) 615	Judgment of District Court reversed.	War risk insurance policy.
Conway v. O'Brien	(1941) 312 U.S. 492, 85 L.Ed. 969	Judgment of Circuit Ct. of Appeals reversed and that of District Court affirmed.	(C.C.A. 2, 1940) 111 F.(2d) 611	Judgment reversed, complaint dismissed.	Personal injuries.
Jenkins v. Kurn	(1941) 313 U.S. 256, 85 L.Ed. 1316	Judgment of Mo. Sup. Ct. reversed with directions.	(1940) 344 Mo. 904, 144 S.W. (2d) 76	Judgment of Trial Court reversed.	Federal Employers' Liability Act.
Halliday v. U. S.	(1942) 315 U.S. 94, 86 L.Ed. 711	Case remanded for reinstatement of District Ct. judgment.	(C.C.A. 4, 1941) 116 F.(2d) 812	Judgment of District Court reversed with directions to enter judgment for defendant.	War risk insurance policy.
Lilly v. Grand Trunk	(1943) 317 U.S. 481, 87 L.Ed. 411	Judgment of Illinois Appellate Ct. reversed with instructions.	(1941) 312 Ill. App. 73, 37 N.E.(2d) 888	Judgment of Trial Court reversed with directions to enter judgment for defendant.	Federal Employers' Liability Act and Boiler Inspection Act.
Bailey v. Central	(1943)	Judgment of	(1942)	Judgment of Trial	Federal

				defendant.	Liability Act.
Tennant v. Peoria	(1944) 321 U.S. 29, 88 L.Ed. 520	Circuit Ct. of Appeals reversed with instructions.	(C.C.A. 7, 1943) 134 F.(2d) 860	Judgment of District Court reversed with directions to enter judgment for defendant.	Federal Employers' Liability Act.
Tiller v. Atlantic Coast Line	(1945) 323 U.S. 574, 89 L.Ed. 465	Judgment of Circuit Ct. of Appeals reversed and that of District Court affirmed.	(C.C.A. 4, 1944) 142 F.(2d) 718	Judgment of District Court reversed and cause remanded.	Federal Employers' Liability Act.
Keeton v. Thompson	(1945) 326 U.S. 689, 90 L.Ed. 405	Judgment of Ark. Sup. Ct. reversed with directions *per curiam.*	(1944) 207 Ark. 793, 183 S.W.(2d) 505	Judgment of Trial Court reversed and cause dismissed.	Federal Employers' Liability Act.
Bigelow v. RKO	(1946) 327 U.S. 251, 90 L.Ed. 652	Judgment of the Court of Appeals reversed and judgment of District Ct. affirmed.	(C.C.A. 7, 1945) 150 F.(2d) 877	Judgment of District Court reversed with instructions to render judgment for defendants.	Civil Anti-trust action.
Lavender v. Kurn	(1946) 327 U.S. 645, 90 L.Ed. 916	Judgment of Mo. Sup. Ct. reversed with directions.	(1945) 354 Mo. 196, 189 S.W.(2d) 253	Judgment of Trial Court reversed.	Federal Employers' Liability Act.
Cogswell v. Chicago & Eastern	(1946) 328 U.S. 820, 90 L.Ed. 1601	Petition for certiorari granted, judgment reversed *per curiam.*	(C.C.A. 7, 1946) 153 F.(2d) 94	Judgment of District Court reversed with directions to dismiss complaint on merits.	Federal Employers' Liability Act.
Jesionowski v. Boston & Maine	(1947) 329 U.S. 452, 91 L.Ed. 416	Judgment of Circuit Ct. of Appeals reversed.	(C.C.A. 1, 1946) 154 F.(2d) 703	Judgment of District Court reversed with directions to enter judgment for defendant.	Federal Employers' Liability Act.
Ellis v. Union Pacific	(1947) 329 U.S. 649, 91 L.Ed. 572	Neb. Sup. Ct. judgment reversed.	(1945) 146 Neb. 376, 19 N.W.(2d) 641, 147 Neb. 18 22 N.W.(2d) 305	Judgment of Trial Court reversed and action dismissed.	Federal Employers' Liability Act.
Pauly v. McCarthy	(1947) 330 U.S. 802, 91 L.Ed. 1261	Judgment of Utah Supreme Ct. reversed *per curiam.*	(1946) 109 Utah 398, 166 P.(2d) 501	Judgment of Trial Court reversed with directions to dismiss.	Federal Employers' Liability Act.
Eubanks v. Thompson	(1948) 334 U.S. 854, 92 L.Ed. 1776	Judgment of Sup. Ct. of Arkansas reversed *per curiam.*	(1948) 212 Ark. 652, 207 S.W.(2d) 610, 208 S.W.(2d) 161	Judgment of Trial Court reversed and cause dismissed.	Federal Employers' Liability Act.
Penn v. Chicago & North Western	(1948) 335 U.S. 849, 93 L.Ed. 398	Judgment of Court of Appeals reversed *per curiam.*	(C.A. 7, 1947) 163 F.(2d) 995	Judgment of District Court reversed with directions to grant judgment for defendant.	Federal Employers' Liability Act and Federal Safety Appliance Act.
Urie v. Thompson	(1949) 337 U.S. 163, 93 L.Ed. 1282	Judgment of Mo. Supreme Ct. reversed and cause remanded with instructions to reinstate judgment on the verdict.	(1948) 357 Mo. 738, 210 S.W.(2d) 98	Judgment of Trial Court reversed.	Federal Employers' Liability Act.
Affolder v. New York	(1950) 339 U.S. 96, 94 L.Ed. 683	Judgment of Ct. of Appeals reversed and that of District Ct. affirmed.	(C.A. 8, 1949) 174 F.(2d) 486	Judgment of Trial Court set aside with directions for new trial.	Federal Employers' Liability Act and Safety Appliance Act.
Kiefer-Stewart v. Seagram	(1951) 340 U.S. 211, 95 L.Ed. 219	Judgment of Court of Appeals and that of District Court affirmed.	(C.A. 7, 1950) 182 F.(2d) 228	Judgment of District Court reversed with directions to dismiss cause of action.	Civil anti-trust action.
Stone v. New York	(1953) 344 U.S. 407, 97 L.Ed. 304	Judgment of Missouri Sup. Ct. reversed.	(1952) ..... Mo. ..... 249 S.W.(2d) 442	Judgment of Trial Court reversed.	Federal Employers' Liability Act.

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In the Supreme Court of the United States

OCTOBER TERM, 1953

No. 403

ANNETTE S. LUNN,
Petitioner,

vs.

F. W. WOOLWORTH COMPANY,
Respondent.

Brief for Respondent in Opposition to Petition for Writ of Certiorari

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OPINIONS BELOW

The opinion of the Court of Appeals for the Ninth Circuit was reported in ..... F(2) ....., 98 U.S.P.Q. 184 (R. 368-373). The decision of that court reversed a judgment on a jury verdict and the denial of a motion for a directed verdict, such denial being unreported (R. 71, 233). A Petition for Rehearing was denied (R. 375).

JURISDICTION

Jurisdiction of this Court is based upon Title 28, U. S. Code, Section 1254 (1), the Petition having been filed in accordance with Title 28, U. S. Code, Section 2101 (c).

STATEMENT OF THE CASE

Petitioner's statement of the case generally emphasizes the points favorable to her. The following additional points should be noted.

Petitioner complains that the Court of Appeals erred in determining that the patent was invalid because of *lack of novelty,* as well as lack of invention, and the Petition (page 17) contains the bald and erroneous statement that:

> "The motion for a directed verdict was directed *only* to the issue of invention."[1]

This matter is brought to the Court's attention because respondent-defendant's motion for a directed verdict was actually made on the basis of "lack of patentability" (R. 231, 36-37), which includes *both* lack of novelty and lack of invention. This same motion was restated and denied after the verdict came in (R. 34).

It is further noted that, although the trial judge indicated his agreement with the jury's verdict *at the time it was brought in* (R. 33), when he later reconsidered the denial of the motion for a directed verdict, he cited and relied upon only a single decision (R. 71): *Packwood v Briggs & Stratton Corp. et al.,* 99 F. Supp. 803 (D.C. Del., 1951). This case was one where a trial judge, stating that he thought the jury wrong in holding the patent valid, held that he did not

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1. Italics throughout this Brief may be considered ours.

have the *power* to direct a verdict in a patent case. This same case has now been reversed by the Court of Appeals for the Third Circuit which said that he had not only the power but the *duty* to direct the verdict where the patent was clearly invalid. *Packwood v. Briggs & Stratton Corp. et al.*, 195 F(2) 971 (C.A. 3, 1952). Certiorari was subsequently denied, 344 U.S. 844, 73 S.Ct. 61, reh. den. 344 U.S. 882, 73 S.Ct. 174.

SUMMARY OF ARGUMENT

Although the argument takes many forms, the gist of the present Petition is that the Court of Appeals, in holding that Respondent's motion for a directed verdict should have been granted, deprived Petitioner of the jury trial guaranteed by the Seventh Amendment.

The short answer to this contention is that no such guarantee exists where *the patent is invalid as a matter of law.*

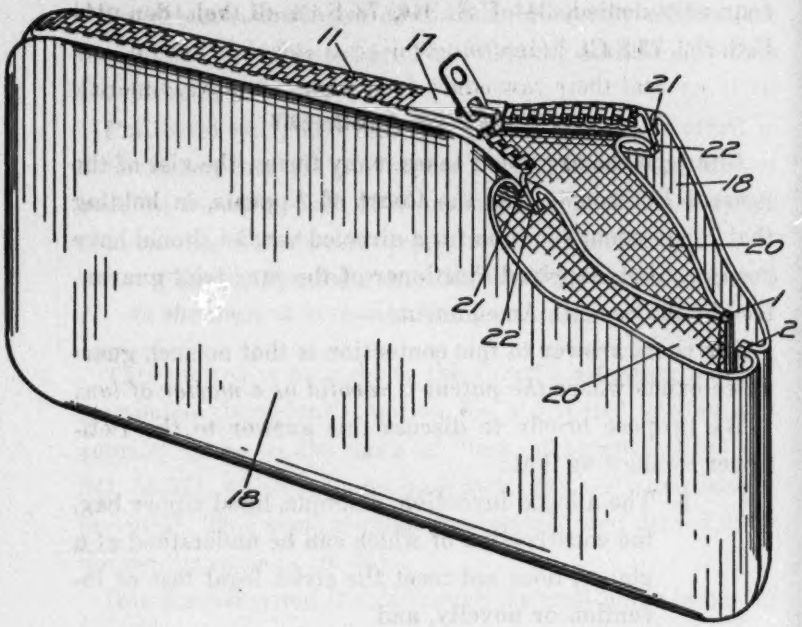
We propose briefly to discuss this answer to the Petitioner by showing that:

1. The alleged invention, a simple, lined zipper bag, the construction of which can be understood at a glance, does not meet the strict legal test of invention or novelty, and
2. In such circumstances, patent validity is a question of law; and there are no questions of fact for submission to a jury.

ARGUMENT

Petitioner's Simple Device Cannot Meet This Court's Strict Test of Invention.

That the alleged invention of the patent in suit is extremely simple and requires no explanation for its understanding is obvious from the following sketch:



The patent shows a simple zipper hand bag comprised of four elements, an outer material 18[1], a lining material 20, a zipper 11, 17 and stitching 1, 2, 21, and 22 for securing

1. Numerals used, so far as possible, are those used in the patent (R. 78, 291-294).

the various elements together. Only one claim[1] is involved, and Petitioner admits that its every element is old and that it is only the combination of elements which is alleged to be new or novel (R. 131; Petition, pages 6-7).

The prior art, though extensive, need not be considered in detail. The McGuire patent (R. 156-7, 356-9, 151) shows all four of the elements of the bag and shows that the outer material and the lining material are stitched in such a way as to conceal their raw edges (see Figs. 2 and 3; numerals 17 and 25). And both the Maksik (R. 157-8, 360-2, 151) and Moore (R. 158, 329-331, 151) patents show all of the four elements with the stitching arranged to conceal the raw edges of the zipper tape.

Since there is no dispute concerning what is shown in the patent and in the prior art, the only real question before this Court is whether Petitioner's trivial change amounts to invention. We submit that, tested by this Court's opinion in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp. et al.*, 340 U.S. 147, 71 S.Ct. 127 (1950), reh. den. 340 U.S. 918, 71 S.Ct. 349, the device in issue wholly

---

1. Claim 4 reads as follows (R. 294):

"A bag of the character described comprising an outer material, a lining material and a slide-fastener closure member including tape members for attachment to the materials of the bag, stitching connecting said tape members to said outer and lining materials, said outer material forming side members for the bag and being connected together by stitching at the side edges thereof, said lining material forming side members for the bag and being connected together by stitching at the side edges thereof, all of the raw edges of the seams formed by said stitching being concealed between the outer material and the lining material."

and completely fails to qualify. The test is as follows (page 130):

> "* * * *This case is wanting in any unusual or surprising consequences from the unification of the elements here concerned,*[1] and there is nothing to indicate that the lower courts scrutinized the claims in the light of this rather *severe* test.
>
> "* * * *Two and two have been added together, and still they make only four.*
>
> "Courts should scrutinize combination patent claims with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements. *The function of a patent is to add to the sum of useful knowledge. Patents cannot be sustained when, on the contrary, their effect is to subtract from former resources freely available to skilled artisans. A patent for a combination which only unites old elements with no change in their respective functions, such as is presented here, obviously withdraws what already is known into the field of its monopoly and diminishes the resources available to skillful men.* This patentee has added nothing to the total stock of knowledge, but has merely brought together segments of prior art and claims them in congregation as a monopoly."

This is indeed a strict standard, and when the device in issue is thus measured, it is clearly wanting. No better proof of this can be found than in Petitioner's own testimony (R. 86-87, 101), where she could point to no advantages over the prior art excepting that the bag was "nicely finished" and

---

1. The trial court refused to use the language of this test of invention in its instructions, remarking that, "* * * to a jury it may be misleading!" (R. 255). An exception was taken (R. 257).

had "fine tailoring." On direct examination, she testified (R. 86-87):

> "Q. Would you tell us what advantages, if any, that you thought your invention had over those of which you had knowledge, the other types of bags then on the market?
>
> "A. I can only answer, our buyers told us that it was a lovely bag for the price, nice clean finish, and that they had never seen a bag made like that before."
>
> * * * * * * *
>
> "Mr. Townsend: Q. Mrs. Lunn, I hand you Plaintiff's Exhibit 4 [Petitioner's bag], and ask you if you could briefly explain to the jury what features of construction you think were important at that time.
>
> "A. Well, Exhibit 4, I just want to show you how nicely it was finished. That is what took the buyer's eye is the finish of the bag. It was all neatly finished and they hadn't seen one on the market before. The inside looked exactly like the outside. Absolutely no stitching showed anywhere. That is what sold the bag to the buyers."

If the Petitioner's improvement admittedly consists in nothing more than a bag with a "nice clean finish," we submit that it is wholly lacking in invention, for, like the device involved in the *Great Atlantic & Pacific Case*, supra, it

> "* * * is wanting in any unusual or surprising consequences from the unification of the elements here concerned * * *"

Although Petitioner may have developed a bag with a neat and attractive appearance, it obviously has no unusual or surprising features; and a glance at the above sketch is convincing that the alleged inventive step was a trivial one which might well have been made by any ordinary seamstress.

The Right of a Judge to Direct a Verdict in a Patent Case.

We may quickly pass over Petitioner's general and extensive, if not entirely clear, attack on the right of a court to grant a directed verdict or a judgment n.o.v. The "short answer is the contention has been foreclosed by repeated decisions made here consistently for nearly a century." *Galloway v. United States,* 319 U.S. 372, 63 S.Ct. 1077, 1086 (1943), reh. den. 320 U.S. 214, 63 S.Ct. 1443.

Very little more need be said when the contention is related specifically to patent cases. Not only does Petitioner almost wholly ignore the only four recent decisions[1] of the Courts of Appeal which discuss, and vigorously affirm, this right, but she wholly fails to support her repeated suggestion of "probable" conflict in the decisions (Petition, pages 12-13).

Furthermore, the trial court's right, in view of the Seventh Amendment, to direct a verdict in a patent case does not raise any question of great import. Were this not so, this Court would not have denied certiorari last term in the *Packwood Case,* just cited, where it had the opportunity to consider the question, nor would it have denied certiorari in the *Ryan*[2] and *Refrigeration Patents Cases,* also just

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1. *Ryan Distributing Corporation v. Caley,* 147 F(2) 138 (C.C.A. 3, 1945), cert. den. 325 U.S. 859, 65 S.Ct. 1199; *Refrigeration Patents Corporation v. Stewart Warner Corporation,* 159 F (2) 972 (C.C.A. 7, 1947), cert. den. 331 U.S. 834, 67 S.Ct. 1515; *Packwood v. Briggs & Stratton Corp. et al.,* 195 F(2) 971 (C.A. 3, 1952), cert. den. 344 U.S. 844, 73 S.Ct. 61; *Himes et al. v. Chadwick,* 199 F(2) 100 (C.A. 9, 1952). These cases are merely cited by Petitioner in a long list of cases (Petition, pages 49-50).

2. This opinion contains the answer to Petitioner's repeated contention that the "presumption of validity" was sufficient to preclude a directed verdict (Petition, pages 22, 31-32, 44-46). The Court of Appeals flatly held that the "presumption of validity does not necessitate the submission of the question of invention to the jury if the patent appears to the court to be plainly invalid" (147 F(2) 138, 141).

cited, in which the protection of the Seventh Amendment was strenuously and unsuccessfully urged upon this Court.

The right to direct a verdict in a patent (or any other type) case depends upon whether we are concerned with a question of fact or a question of law. Since the earliest times, this Court has been plagued with petitions to decide whether the validity of a patent is a question of fact or law. But also, since the earliest times, *this Court has consistently held that when the facts are little in dispute and no conflict in testimony is involved, the validity of a patent is a question of law.* This Court's latest statement of this well established rule was in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp. et al.,* 340 U.S. 147, 71 S.Ct. 127 (1950), reh. den. 340 U.S. 918, 71 S.Ct. 349, in which case, Justices Douglas and Black, in a concurring opinion, went even further and held it to be a question of law *in all cases.* 340 U.S. 155, 71 S.Ct. 132.

In the present case, these separate views need not be considered, for here *the Petition makes no contention that the facts are in dispute or that there is any necessity to resolve any conflict in the testimony.* As a consequence, this is clearly a case where patentability is to be treated as a question of law. The pertinent rule is well stated in the leading case of *United States v. Esnault-Pelterie,* 303 U.S. 26, 58 S.Ct. 412 (1938), where the Court said at pages 414-415:

> "• • • where, with all the evidence before the court, it appears that no substantial dispute of fact is presented, and that the case may be determined by a mere comparison of structures and extrinsic evidence is not needed for purposes of explanation, or evaluation of

prior art, or to resolve questions of the application of descriptions to subject matter, *the questions of invention and infringement may be determined as questions of law.* Heald v. Rice, 104 U.S. 737, 749, 26 L. Ed. 910; Singer Mfg. Co. v. Cramer, 192 U.S. 265, 275, 24 S.Ct. 291, 48 L. Ed. 437; Sanitary Refrigerator Company v. Winters, 280 U.S. 30, 36, 50 S.Ct. 9, 10, 74 L. Ed. 147."

Applying this rule, in an appeal from the denial of a motion to direct the verdict in a patent case, this Court, in *Market Street Cable Railway Company v. Rowley,* 155 U.S. 621, 15 S.Ct. 224 (1895), reversed the trial court, emphasizing, at pages 625-630, that the trial court had the *duty* to so direct the verdict:

"Did the court below err in refusing to instruct the jury to find a verdict for the defendant on the ground that the patent sued on was void for want of novelty?

"The defendant put in evidence a number of patents prior in date to the plaintiff's and asked the court to compare the inventions and devices therein described with those claimed by the plaintiff. No extrinsic evidence was given or needed to explain terms of art, or to apply the descriptions to the subject-matter, so that the court was able, from mere comparison, to say what was the invention described in each, and to affirm from such mere comparison whether the inventions were or were not the same. *The question was, then, one of pure construction and not of evidence, and consequently was matter of law for the court, without any auxiliary fact to be passed upon by the jury.*

"If upon the state of the art as shown to exist by the prior patents, and upon a comparison of the older devices with those described in the patent in suit, it should appear that the patented claims are not novel, *it becomes the duty of the court to so instruct the jury.*

Powder Co. v. Powder Works, 98 U.S. 126; Heald v. Rice, 104 U.S. 737, 749; Fond du Lac County v. May, 137 U.S. 395."

* * * * * * *

"In view, then, of the state of the art as manifested by several prior patents, we think it is plain that the patent of Lyon and Munro is void for want of patentable novelty, and that the court below erred in not so instructing the jury."[1]

Thus, when there is no conflict of testimony, no question arises relative to the court's setting aside any question of fact—for none is involved. The real point is whether, considering the clear showing of the patent and the prior art, the margin of difference rises to the dignity of invention.

Basically, this the same question was presented to this Court in *Great Atlantic and Pacific Tea Co. v. Supermarket Equipment Corp. et al.,* 340 U.S. 147, 71 S.Ct. 127 (1950), reh. den. 340 U.S. 918, 71 S.Ct. 349, and in *Crest Specialty v. Trager et al.,* 341 U.S. 912, 71 S.Ct. 733 (1951). In the first case, it was argued that this Court (or an appellate court) could not set aside a finding of invention made by the trial court. This contention was completely answered as follows, at page 131:

"The questions of general importance considered here are not contingent upon resolving conflicting testi-

1. Petitioner attempts to label this case an "exception" (Petition, page 36) and states that it is distinguishable from the one at bar because here there was "extrinsic evidence." If this is an attempt to argue that the patent and prior art needed explanation the answer is found in their obvious simplicity. Furthermore, this same argument has been found entirely wanting where the patents involved were simple and clear and such extrinsic evidence was unnecessary. *Great Atlantic & Pacific Tea Co. v Supermarket Equipment Corp. et al.,* supra; *Crest Specialty v. Trager et al.,* 341 U.S. 912, 71 S.Ct. 733 (1951).

mony, for the facts are little in dispute. *We set aside no finding of fact as to invention, for none has been made except as to the extension of the counter, which cannot stand as a matter of law. The defect that we find in this judgment is that a standard of invention appears to have been used that is less exacting than that required where a combination is made up entirely of old components. It is on this ground that the judgment below is reversed.*"

This statement contains the crux of the matter—*it is the standard of invention which controls.* And it is this principle which the only two Courts of Appeal very recently considering the question have followed in approving the setting aside of jury verdicts in *patent cases* where the proper standard has been ignored. *Packwood v. Briggs & Stratton Corp. et al.*, 195 F(2) 971 (C.A. 3, 1952), cert. den. 344 U.S. 844, 73 S.Ct. 61; *Himes et al. v. Chadwick*, 199 F(2) 100 (C.A. 9, 1952). In the latter of these two cases, the Court of Appeals for the Ninth Circuit followed the decision in the former and emphatically approved the granting of a judgment n.o.v.; in the former, the Court of Appeals for the Third Circuit reversed the trial judge's ruling that he did not have the *power* to grant a judgment n.o.v. in a patent case.[1] In a well reasoned opinion, the court held

1. In view of Petitioner's repeated emphasis (Petition, pages 3, 14, 45) that the trial judge here approved the jury's verdict, *at the time it was returned*, this Court must consider that in denying Respondent's motion for a directed verdict and judgment n.o.v., the trial judge relied on only one case, the (now reversed) lower court's opinion in the *Packwood Case* (99 F. Supp. 803, 807), wherein the trial judge stated that "If I had the *power* to decide, I would hold the patent in suit invalid without much delay." It would appear that by the time the trial judge here came to decide the motions, he could have found *substantially* better authority for denial if he were still convinced of the patent's validity.

that he not only had the power to do so, but emphasized that it was his *responsibility and duty* (pages 973-974):

> "This finding of invention and validity was very clearly wrong. *A jury in a patent case is not free to treat invention as a concept broad enough to include whatever discovery or novelty may impress the jurors favorably.* Over the years the courts of the United States, and particularly the Supreme Court, have found meaning implicit in the scheme and purpose of the patent laws which aids in the construction of their general language. In this process, rules and standards have been developed for use as guides to the systematic and orderly definition and application of such a conception as invention in accordance with what the courts understand to be the true meaning of the Constitution and the patent laws. *Once such standards and rules are authoritatively announced any finding of 'invention' whether by a court or a jury must be consistent with them.*
>
> "This is no peculiarity of patent law. Jury findings of negligence or proximate cause must comport with common law rules devised to give reasonable and systematic meaning to those generalities. For such rules, see Restatement of the Law, Torts, Negligence, Chs. 12-16. And so it is throughout the body of the common law. *This authority and responsibility to keep jury findings within reasoned rules and standards is an essential function of United States judges today as it long has been of common law judges.* See Capital Traction Co. v. Hof, 174 U.S. 1, 13-16, 19 S.Ct. 580, 43 L. Ed. 873 (1899). *It stands as a great safeguard against gross mistake or caprice in fact finding.*"
>
> • • • • • • •
>
> "In Ryan Distributing Corp. v. Caley, 3 Cir., 1945, 147 F.2d 138, 142, this court pointed out that *entry of judgment n.o.v. is the appropriate corrective action*

when a jury has found a patent valid although the court's application of defining principles reveals 'a clear-cut case of lack of invention.' Also indicating the propriety of thus overruling the trier of fact is the already cited Atlantic and Pacific case where the Supreme Court reversed a finding of invention duly made and approved by both a district court and a court of appeals. In the instant case the district court should have entered judgment n.o.v. upon the basis of a ruling that, consistent with *controlling standards,* the device in suit plainly could not embody invention."

Accord and followed in: *Fraver v. Studebaker Corp.,* 112 F. Supp. 209 (D.C. Pa., 1953); *Fischer & Porter Company v. Brooks Rotameter Co.,* 107 F. Supp. 1010 (D.C. Pa., 1952).

In the final analysis, then, Petitioner's difficulty arises from her failure to appreciate that any jury finding of invention must be "consistent with controlling standards." The yardstick against which invention is measured, like many other legal doctrines, is one established by the *courts* as a matter of law; the jury's only function is to set the improvement alongside that yardstick and make the necessary comparison, as a matter of fact. But if, in doing so, "a standard of invention appears to have been used less exacting than that required," the verdict is defective[1] and the "entry of judgment n.o.v. is the appropriate corrective action [because the] jury has found a patent valid although the court's application of defining principles reveals 'a clear-cut case of lack of invention'."[2]

---

1. *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp. et al., supra.*

2. *Ryan Distributing Corporation v. Caley, supra; Packwood v. Briggs & Stratton Corp. et al., supra.*

Petitioner therefore must look in vain for sympathetic ears to heed her cry that she has here been deprived of her right to a jury trial. That right is no more sacred than Respondent's counterbalancing right to have *its* cause judged according to the established rules of law. As stated in *Galloway v. United States,* 319 U.S. 372, 63 S.Ct. 1077 (1943), Petitioner's position, which essentially denies *any* review of jury verdicts, imposes too great a risk on defendant. The Court said, at page 1088:

> "* * * The true effect of imposing such a risk would *not* be to guarantee the plaintiff a jury trial. It would be rather to deprive the defendant * * * of the right to challenge the legal sufficiency of the opposing case. The [7th] Amendment was not framed or adopted to deprive either party of either right. It is impartial in its guaranty of both. To posit assertion of one upon sacrifice of the other would dilute and distort the full protection intended."

CONCLUSION

We have attempted to analyze what we consider to be the basic misconception of the Petition. There is no question that Petitioner has a right to a jury trial; likewise there is no question that a defendant has a right to have its own case shielded against a verdict based on the misapplication of established legal principles.

Petitioner's handbag is nothing more than a trivial change over the prior art. Its nice finishing and tailoring obviously appealed to the jury—but this was not invention. It is just this kind of an appeal to a jury which a motion for a directed verdict is intended to overcome. Thus, when the

jury departed from the established legal criteria of patentability, it was both the duty and the responsibility of the trial judge to direct the verdict. Having failed to do so, the Court of Appeals had no recourse but to reverse the judgment.

We earnestly and sincerely urge that the Petition for the Writ should be denied.

Respectfully submitted,

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Petitioner's Reply Brief in Support of Petition for Writ of Certiorari

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In the Supreme Court of the United States

OCTOBER TERM, 1953

No. 403

ANNETTE S. LUNN,
Petitioner,

vs.

F. W. WOOLWORTH COMPANY,
Respondent.

Petitioner's Reply Brief in Support of Petition for Writ of Certiorari

Instead of answering the matters urged in the petition, the respondent seeks to justify the action of the Court of Appeals by arguing that there was evidence to support a finding of invalidity; by pointing out that other courts have permitted the directions of verdicts in other jury patent cases; by alluding to dictum in Supreme Court decisions; and by urging that prior denials of certiorari prove that

the Seventh Amendment does not raise "any question of great import."

The fact, if it be true, that evidence might have supported an original verdict of invalidity, does not control the matter. The proper test in the Court of Appeals was whether the evidence supported an original verdict of validity because the jury found in favor of plaintiff.

The fact, if it be true, that several lower court decisions would have justified the action of the Court of Appeals, likewise does not control the matter. Petitioner has asked review so this Court can resolve the conflict in the decisions in the lower courts.

Likewise, the Supreme Court cases which respondent cites do not control the matter. None of them resolves the conflict of law which petitioner has asked this Court to decide.

RESPONDENT'S BRIEF IGNORES THE GROUNDS FOR THE PETITION

In seeking certiorari, petitioner pointed out that the decision of the Court of Appeals was in conflict with the Seventh Amendment (Ground 1(a), pages 12-13, 26-41); that the opinion was in conflict with controlling California law (Ground 1(b), pages 13, 41-46); that lack of novelty was not properly before the Court of Appeals (Ground 2, pages 13, 46-47); that this Court has never decided the conflict of decisions ruling on the direction of a verdict in a patent infringement action (Ground 3, page 13, 47-50) and that jurisdiction of the Court of Appeals on petitioner's appeal was statutory (Ground 4, page 14, 51-52).

Of all of these grounds, the only one which respondent answers is that it believes that the question of lack of

novelty was properly before the Court on the motion for judgment notwithstanding the record (Respondent's brief, page 2). Petitioner respectfully submits that if this Court will read the motion for directed verdict appearing at pages 231-232 of the record, that this Court will perceive that the respondent discussed lack of invention and not lack of novelty in support of its motion. The broad catch-all of "lack of patentability" upon which respondent relies (Respondent's brief, page 2) should be read in the light of the entire motion. The entire motion makes clear that the specific issue of lack of novelty was never raised.

The nature of respondent's arguments is discussed under separate chapter headings following this introduction.

RESPONDENT'S BRIEF DEMONSTRATES THE CONFLICT OF EVIDENCE

Petitioner pointed briefly to evidence on the merits of the controversy which supports the verdict of the jury (pages 17-26). The respondent points to evidence which perhaps would have lent support to an original verdict for the defendant had the jury agreed with defendant. The alleged closeness of the prior art (Respondent's brief, page 5); the alleged simplicity of the bag (Respondent's brief, page 4); and the antiquity of the separate elements (Respondent's brief, page 5) are all matters which the jury weighed in reaching its conclusion.

A patent case is no different than any other jury action.* In each case, the jury must weigh conflicting inferences to

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*_Root v. Lake Shore and Michigan Southern Railway Company_ (1882) 15 Otto (105 U.S.) 189, 206, 26 L.Ed. 975, 981 (cited petition, page 29) and _Packwood v. Briggs & Stratton Corp. et al._ (C.A. 3, 1952) 195 F(2d) 971, 973 (cited respondent's brief, pp. 12-13).

be drawn from the evidence. On review, the question is not whether there was evidence contra the verdict of the jury. The real question is whether there was evidence in support of the verdict of the jury.

That this is the true criterion of review in any jury action appears from the cases of *Lavender v. Kurn* (1946) 327 U.S. 645, 653, 90 L.Ed. 916, 923, and in *Myers v. Reading Co.* (1947) 331 U.S. 477, 485, 91 L.Ed. 1615, 1620, where the Court said:

> "• • • But where, as here, there is an evidentiary basis for the jury's verdict, the jury is free to discard or disbelieve whatever facts are inconsistent with its conclusion. And the appellate court's function is exhausted when that evidentiary basis becomes apparent, it being immaterial that the court might draw a contrary inference or feel that another conclusion is more reasonable."

THE LOWER COURT DECISIONS CITED BY RESPONDENT DO NOT RESOLVE THE CONFLICT

Respondent seeks to justify the action of the Court of Appeals in directing a verdict in favor of the defendant by citing the following authorities:

Fischer & Porter Company v. Brooks Rotameter Co., 107 F. Supp. 1010 (D.C. Pa., 1952) cited page 14;

Fraver v. Studebaker Corp., 112 F. Supp. 209 (D.C. Pa., 1953) cited page 14;

Himes et al. v. Chadwick, 199 F.(2) 100 (C.A. 9, 1952) cited pages 8, 12;

Packwood v. Briggs & Stratton Corp. et al., 195 F.(2) 971 (C.A. 3, 1952) cited pages 3, 8, 12, 14;

Refrigeration Patents Corporation v. Stewart Warner Corporation, 159 F.(2) 972 (C.C.A. 7, 1947) cited page 8; and

Ryan Distributing Corporation v. Caley, 147 F.(2) 138 (C.C.A. 3, 1945) cited pages 8, 14.

The question of whether or not these cases support the action of the Court of Appeals in the case at bar should not control this Court's exercise of its discretion. This Court alone can finally determine what are the true rules of law. The only consideration of controlling importance is whether the correct rule of review is the one applied in the six lower court decisions cited by respondent or whether it is the one applied in the authorities cited by petitioner at pages 48-49 of its petition. Indeed, one of the grounds urged by petitioner is that a conflict does exist and that this Court should decide the conflict (Petitioner's brief, pages 47-50). Respondent does not deny the conflict and advances no reason why this Court should not resolve it.

THE CONFLICTS ARE NOT RESOLVED BY DECISIONS IN THIS COURT

In opposition to the petition, the respondent points to five authorities of this Court listed below:

Crest Specialty v. Trager et al., 341 U.S. 912, 71 S.Ct. 733 (1951) cited page 11;

Galloway v. United States, 319 U.S. 372, 63 S.Ct. 1077 (1943) cited pages 8, 15;

Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp. et al., 340 U.S. 147, 71 S.Ct. 127 (1950) cited pages 5, 7, 9, 11, 14;

Market Street Cable Railway Company v. Rowley, 155 U.S. 621, 15 S.Ct. 224 (1895) cited page 10; and *United States v. Esnault-Pelterie,* 303 U.S. 26, 58 S.Ct. 412 (1938) cited page 9.

These cases do not decide either the conflict between the Seventh Amendment and the decision of the Court of Appeals in the case at bar, or the conflicts between the several different decisions in the courts below.

The *Crest Specialty* and *Great Atlantic & Pacific* cases do not even purport to discuss the effect of the Seventh Amendment and the place of a jury verdict in a patent infringement action. This, because both cases arose on actions tried by a court sitting without a jury. The review of non-jury cases is not governed by the Seventh Amendment. This appears from *Thomson Spot Welder Co. v. Ford Motor Co.* (1924) 265 U.S. 445, 446, 68 L.Ed. 1098, 1100, and *United States v. United States Gypsum Co.* (1948) 333 U.S. 364, 395, 92 L.Ed. 746, 766. The petition mentions these two cases in support of the distinction between the two forms of review (page 16), a matter which respondent does not genuinely dispute.

The *Esnault-Pelterie* case likewise does not purport to dispose of the conflict. The language upon which the respondent relies (Respondent's brief, pages 9-10) is a dictum. The matter was before this Court on findings of the trial court sustained on review rather than on the verdict of a jury reversed on review. Under the authority of such cases as *Cohens v. Virginia* (18-21) 6 Wheat. (19 U.S.) 264, at page 399, 5 L.Ed. 257, at page 290, a dictum should not

control the judgment in a subsequent case where the specific point under consideration is presented for decision.

Similarly the *Market Street Railway* case does not dispose of the issues in the case at bar. As appears from the quotation relied on by respondent (Respondent's brief, page 10), the only issue was novelty, and extraneous evidence was neither given nor needed to explain terms of art or to apply the descriptions to the subject matter in issue. In the case at bar, the testimony of the defendant's expert was required to interpret the disclosures of the prior art. Moreover, in the *Market Street* case this Court did not direct the entry of judgment notwithstanding the verdict, but on the contrary ordered a new trial.

This leaves only the *Galloway* case (Respondent's brief, pages 8 and 15) in which the question was whether the successful plaintiff had met his burden of proof in claiming permanent disability. That case likewise does not resolve the conflicts in the case at bar. In that case, the verdict of the jury was based entirely upon mere speculation. In the case at bar, the verdict was supported not only by the presumption of patent validity, but also by affirmative evidence supporting the presence of patentable novelty under long established affirmative tests of invention (Petition, pages 22-26). Further, as distinguished from the *Galloway* case, the defendant Woolworth had the burden of proof on the issue of validity.

THE DENIAL OF CERTIORARI IN PRIOR JURY PATENT CASES IS WITHOUT SIGNIFICANCE

Respondent urges, pages 8-9, that the effect of the Seventh Amendment "does not raise any question of great

import." The reason given is that this Court would not have denied certiorari in certain cited jury patent cases "were this not so."

This Court reasons to the contrary. Its view is that denial of certiorari imports no expression of opinion upon the merits of the case (as shown, for example, in *U. S. v. Carver* (1923) 260 U.S. 482, 490, 67 L. Ed. 361, 364). And *House v. Mayo* (1944) 324 U.S. 42, 48, 89 L. Ed. 739, 743, holds that denial of certiorari is not an expression "of the opinion that no meritorious question is presented by the matters of which petitioner here complains."

This Court has also said, in speaking of prior denials in *Maryland v. Baltimore Radio Show* (1950) 338 U.S. 912, 94 L. Ed. 562, pp. 918, 566:

"Wise adjudication has its own time for ripening."

Petitioner submits that the "time for ripening" is here when a Court of Appeals overrides the Seventh Amendment to the Constitution to the point that it ignores all evidence supporting the verdict of the jury, to the point that it ignores the presumption of validity,* and to the point that it ignores the rule that the infringer has the burden of proof on the issue of validity.* When a reviewing court departs thus far from the Seventh Amendment, then the question should, indeed, be deemed one of "great import."

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*Congress has adopted the sound public policy of these two Court announced rules in the new patent codification, U.S. Code, Title 35, Section 282.

CONCLUSION

In conclusion, petitioner submits that a petition for a writ of certiorari should be granted. There is a real conflict between the Seventh Amendment and the cases upon which respondent relies. There is also a real conflict between the lower court decisions giving weight to a jury verdict and the authorities upon which the respondent relies. In the interest of stability in the law, these conflicts should be resolved. It is only through the grant of certiorari in this or in some similar jury action that patentees and patent litigants may be advised as to the effect of the Seventh Amendment in patent litigation. As petitioner pointed out in her petition, justice may be had by the grant of the petition in this case.

Respectfully submitted,

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In the Supreme Court of the United States

OCTOBER TERM, 1953

No. 403

ANNETTE S. LUNN,
Petitioner,

vs.

F. W. WOOLWORTH COMPANY,
Respondent.

Petition for Rehearing

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In the Supreme Court of the United States

OCTOBER TERM, 1953

No. 403

ANNETTE S. LUNN,
Petitioner,

vs.

F. W. WOOLWORTH COMPANY,
Respondent.

Petition for Rehearing

Annette S. Lunn respectfully petitions this Court to grant a rehearing of the order entered November 30, 1953, denying her petition for writ of certiorari.

Mrs. Lunn submits that intervening circumstances of substantial effect justify the grant of the writ. The petition in this case was filed on October 9, 1953. On October 23, 1953, the United States District Court for the Northern District of California, Southern Division, cited and relied upon the instant opinion of the Court of Appeals[1] as blanket

1. As well as *Packwood v. Briggs & Stratton Corp.*, 3 Cir., 195 F.(2d) 971 and *Himes v. Chadwick*, 9 Cir., 199 F.(2d) 100.

authority for the entry of a motion for a directed verdict. This appears from a Memorandum For Judgment in *Hansen v. Safeway Stores, Inc.*, a certified copy of which accompanies this petition as "EXHIBIT A".

Thus the vicious trend toward the abolition of the jury verdict in patent infringement actions pointed out in the petition has continued to grow and has become firmly entrenched since Mrs. Lunn filed her petition. This Court has become the only available forum to put a stop to such unconstitutional practice.

This petition is a plea for this Court to give concrete effect to its motto "Equal justice under law" appearing on the architrave of its building. The word "law" embraces the law of patents, as well as the bill of rights. The bill of rights grants every person, including a patentee, the right to trial by jury and the right to common law review.

The lower courts have abandoned the bill of rights in favor of the unanimous view[2] that patentees and their

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2. A roll-call of the circuits establishes this fact beyond peradventure.

The *First* Circuit: *Connors v. Ormsby* (C.C.A. 1, 1906), 148 Fed. 13.

The *Second* Circuit: *Prepayment Car Sales Co. v. Orange County Traction Co.* (C.C.A. 2, 1915), 221 Fed. 939, cert. den. (1915), 238 U.S. 626, 59 L. Ed. 1495.

The *Third* Circuit: *Ryan v. Caley* (C.C.A. 3, 1945), 147 F.(2d) 138, cert. den. (1945), 325 U.S. 859, 89 L. Ed. 1979, and *Packwood v. Briggs & Stratton Corp.* (C.A. 3, 1952), 195 F.(2d) 971, cert. den. (1952), 344 U.S. 844, 97 L. Ed. *44, rehearing denied (1952), 344 U.S. 882, 97 L. Ed. *62. See also *Fischer & Porter v. Brooks Rotameter Co.* (D.C. Pa. 1952), 107 F. Supp. 1010, 1011; and *Fraver v. Studebaker Corp.* (D.C. Pa. 1953), 112 F. Supp. 209, 210.

The *Seventh* Circuit: *McIlvaine Patent Corp. v. Walgreen Co.* (C.C.A. 7, 1943), 138 F.(2d) 177; and *Refrigeration Patents Corp. v. Stewart-Warner Corp.* (C.C.A. 7, 1947), 159 F.(2d) 972, cert. den. (1947), 331 U.S. 834, 91 L. Ed. 1847, rehearing denied (1947), 332 U.S. 803, 92 L. Ed. 382.

The *Ninth* Circuit: *Himes v. Chadwick* (C.A. 9, 1952), 199 F.

patent property are in a special category which falls outside the guarantees granted by the bill of rights to all other litigants and protecting all other forms of property. But the people who are governed by law continue to put their trust in the Constitution, in the statutes authorizing the grant of patents, and in the law which provides that enforcement of the grant may be decided by a jury verdict.[3]

This Court has never granted certiorari to any patentee where the record, as here, furnishes a sound basis for urging that the petitioner has been denied her constitutional right to a jury trial, and to a common law review of her verdict. But in the last 13 years alone, this Court has granted certiorari in at least 24 other cases involving such varied types of actions as anti-trust actions, actions in deceit, war risk insurance policy actions, personal injury actions, and Federal Employers Liability Act actions[4], all as appears from the appendix to the original petition. In each of those 24 cases, this Court preserved to the successful plaintiff the fruits of his jury verdict. The public policy in protecting a patentee against transgressions should be

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(2d) 100, and again in the decision in this case. See also the intervening *Hansen* case.

The *Fourth*, *Fifth*, *Sixth*, *Eighth* and *Tenth* Circuits have apparently been silent on this question. But, one might well expect them to follow the trail blazed by the other Circuits.

3. Last year alone, patentees contributed over 40,000 new inventions to the American public. Patent No. 2,580,379 was issued January 1, 1952 (654 O.G. 68) and patent No. 2,624,045 was issued December 30, 1952 (665 O.G. 1624). These contributors should be given the rights guaranteed by the Constitution and afforded to all other litigants.

4. The "indifferent or unfriendly" attitude which had permeated the Federal Employers Liability Act cases with "a philosophy hostile to that reflected in the legislation" referred to by Mr. Justice Douglas in his Cardozo lecture (49 Col. Law Rev. 735, 752) is also found in the Patent Act cases.

as great as that in protecting other classes of litigants against their transgressors.

Patentees should not be required to await a possible future conflict between two different circuits on the same patent. Such a conflict has not occurred in a half century of certiorari review. Reason suggests very little likelihood for any such conflict in the future. In view of the unanimity between circuits set forth in footnote 2, such a conflict has now become a practical impossibility.

Petitioner respectfully submits that the grant of certiorari in the instant case would go far to reassure all patentees that they, too, shall have "equal justice under law", and that they have not been segregated as the only class of litigant to whom the bill of rights is a mere scrap of paper.

An editorial in the December, 1953 issue of the American Bar Association Journal, Vol. 39, page 1085, summarizes:

> "Trial by jury has been for centuries a bulwark in the Anglo-Saxon administration of justice. The jury system is not perfect but it is the best yet devised."
>
> "And so we suggest to those who would tamper with it or abolish it altogether, that they think seriously and move slowly, with care."

Wherefore, Mrs. Lunn respectfully requests a rehearing of the order denying her petition for writ of certiorari, and respectfully requests this Court to grant the writ as prayed for in the petition on file herein.

Respectfully submitted,

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The undersigned hereby certify that the foregoing PETITION FOR REHEARING is presented in good faith and not for delay, and that the petition for rehearing is restricted to the grounds above specified.

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Attorneys for
Annette S. Lunn

(Exhibit A follows)

EXHIBIT A

In the United States District Court, for the Northern District of California, Southern Division

Alden Hansen, Plaintiff, vs. Safeway Stores, Incorporated, Defendant.	No. 31449

MEMORANDUM FOR JUDGMENT

The defendant has moved for judgment under the provisions of Rule 50(b) of the Federal Rules of Civil Procedure, after the jury was discharged because it was unable to agree upon a verdict. A motion for a directed verdict was made at the conclusion of the testimony, and ruling on this motion was reserved under the provisions of the Rule.

The court rules that as a matter of law the motion for a directed verdict should have been granted because plaintiff's patent is invalid for lack of novelty, lack of invention, or lack of both novelty and invention. In this situation it is the duty of the court to direct the entry of judgment in accordance with the motion for a directed verdict. *Packwood v. Briggs & Stratton Corp.*, 3 Cir. 195 F.2d 971; *Himes v. Chadwick*, 9 Cir., 199 F.2d 100; *Lunn v. F. W. Woolworth Company*, 9 Cir., ... F.2d ....., No. 13266, decided June 29, 1953.

Counsel for the defendant is ordered to prepare and submit a judgment in accordance herewith.

Dated: October 23, 1953.

OLIVER J. CARTER
United States District Judge

End